THE BOMBAY COURIER.

PUBLISHED TWICE A WEEK,—EVERY SATURDAY AND TUESDAY MORNING.—PRICE 13 RUPEES PER QUARTER.

VOL. XLI.] TUESDAY, 23 JULY, 1833. [NO. 2259.

BOMBAY AMATEUR THEATRE.

ON THURSDAY next, the 25th Instant, will be performed,
Kenney's much Admired Farce
IN THREE ACTS,
OF,
LOVE, LAW, and PHYSIC;
To Conclude with,
THE RENDEZVOUS.

Tickets and Places may be had at the Theatre on Wednesday the 24th., and Thursday the 25th Instant.

Boxes.....	6	Upper Boxes.	3
Pit.....	4	Gallery.....	2

NOTICE.—The Undersigned having been appointed Agents for the "Alliance Insurance office" of Calcutta, are authorized to grant policies payable in Bombay, Calcutta, Canton or London.

Messrs SHEDDEN AND CO. Sec's. in Calcutta.
" RUSSELL AND CO. Agents in Canton.
" COCKERELL AND CO. Do. in London.
McGREGOR EDMOND AND CO.
Bombay, 20th July, 1833.

NOTICE.—The Undersigned having been appointed Agents for the "Indemnity Insurance Office," of Calcutta, are authorized to grant Policies payable in Bombay, Calcutta, or London.

Messrs GILMORE AND CO. are the Secretaries for the Office in Calcutta.
McGREGOR EDMOND AND CO.
Bombay, 20th July, 1833.

NOTICE.

ON Friday next, the 26th Instant, at 11 A. M. Messrs. FRITH BOMANJEE AND Co. will sell by Public Auction, at Briscoe Lodge, Colabah, the Household Furniture and Property of the late Lieut. Colonel Pearson, consisting of a small selection of Plate, Handsome Plated Curry Dishes, with Heaters, Pedestal Branch shades with rich silver edges, Liquor and Cruet Frames, Tea and Coffee Pots, Dinner and Dessert services, the usual assortment of Glass ware, Vase Lamps, Dining, Card, and Sofa Tables, Couches, Chairs, Large and Small cots, with bedding, a Cheval Glass, Portable Book-cases, Knives and Forks, Cooking Utensils; a valuable collection of Books, comprizing an Encyclopædia Brittanica (the latest edition), handsomely bound in Russia, Cornhill Miscellany, Oriental Herald, Waverly Novels, and many valuable and interesting works; a new Lady's saddle, a Ditto Military ditto, with second-hand Hunting and Military ditto; Pair of double barrel'd Pistols in case, by Carter: At noon, they will sell—A neat London built Stanhope by Hancock, a Barouche, and Harness, a pair of Bay Carriage Horses, a stylish Grey charger, a set of Capital Buggy Harness and a Palanquin; and at 1. P. M a very superior full toned *Patent* Square Piano Forte, by Broadwood, upon an improved principle with metal sounding board, spare strings, Cover and wooden Case, built to express order for the Climate, and is in the highest order possible, also an English Mahogany music stool. The property may be viewed between the hours of 10 A. M. and 6 P. M. on Wednesday next, the 24th Inst. and following days. Terms Cash and the lots to be cleared forthwith.

Nesbit Lane, 23d July, 1833.

FOR SALE.—A large sized Packet of Cape Garden Seeds, containing a varied assortment of the most useful descriptions. Price 40 Rupees, Cash.

Apply to Messrs. FRITH BOMANJEE AND CO.
Bombay, 23d July, 1833.

ON Sale.—Sherry Wine of Superior quality, in cases of 3 dozen each, at Rupees 16 per dozen.

Also—A few Pipes of fine Lisbon Wine, at Rupees 400 per Pipe. Apply to McGREGOR EDMOND and CO.
Bombay, 23d July, 1833.

ON Sale at the Godowns of McGREGOR EDMOND and CO.—Patent Filterers, received per Ship "*Hero*," from the Inventors and Patentees, Messrs YRIGOYTE and WILLIAMS, of London.
Bombay, 23d July, 1833.

ON SALE—Sherry Wine of superior quality, in cases of 3 dozen. Rupees 16 per dozen.—Apply to D. GIBB AND CO. *Daly's Buildings, No. 4.*

MEEYAJEE AHMEDBHOY has received for sale on Commission, a few pieces of Superfine real Irish Linnen, brought out by an express order for a Gentleman who left India. Cost in England 5*s.* | 6*d.* to 6*s.* per yard.
Bombay, 22d July, 1833.

FOR SALE at the Courier Office—A CODE OF SIGNALS, with a list of Vessels and their corresponding numbers in H. M. Service, and the Commercial Navy of Great Britain, together with those belonging to the Port of Bombay. Price, one Rupee.

ENGRAVER AND CARD PRINTER.

MANOEL ANTONIO DE MELLO, respectfully informs the Ladies and Gentlemen of the Presidency and Outstations, that he executes the above Work at a reduced Price.

All orders to be sent to M. A. de MELLO, to the care of MATHEUS GOMES, at the Courier office, or to Mr. J. BARRETTO at the Military Pay Office, which will be promptly executed.

FOR FREIGHT OR PASSAGE TO LONDON,

THE Ship, LADY FEVERSHAM, STEPHENSON ELLERBY, Commander, Burthen 500 tons, carries a Surgeon, has superior accommodations for Passengers, plans of which may be seen by applying at the office of Messrs. DIROM CARTER AND CO.
Bombay, 23d July, 1833.

FOR THE STRAITS AND CHINA,

THE Armed and fast sailing Ship SARAH, Capt. J. T. WHITESIDE, of 500 Tons. To sail in all July or forfeit Freight, for which, apply to MR. HAYLETT, at the office of MR. GREY.

FOR PASSAGE TO LIVERPOOL,

THE Fast Sailing Packet Ship, "MARY BIBBY," of 300 Tons Register, T. G. WHIDBORNE, Commander, has good accommodations for a few Passengers, and will Sail on or before 10th August. Apply at the office of McGREGOR EDMOND and CO.
Bombay, 23d July, 1833.

FOR FREIGHT OR PASSAGE TO LONDON OR CLYDE,

THE Fast Sailing Teak built Ship, "LONDON," 400 Tons Register, PICKERING, Commander, is daily expected, and will have prompt despatch. Apply at the office of McGREGOR EDMOND AND CO.
Bombay, 23d July, 1833.

THE CALCUTTA JOHN BULL.

TO THE EDITOR OF THE BOMBAY COURIER.

DEAR SIR.—I perceive that the Editor of the *John Bull*, in one of his last papers, has been very facetious in his remarks on you and the Steam Committee. Pray can you inform the public who this immaculate man is? where has he learnt so much of the Ducks, that he never fails, like the Chinaman, to give them a hiding whenever they come near him. He seems to have a natural antipathy to this place. Was he a Duck once himself, and has he after taking a long dive, thrust his head up among the waters of the east, to flatter his green and black plumage to the no small admiration of the people of the city of Palaces? The reviler of Sir John Malcolm, of the Bombay Community, and the man who could call Mr. Wolff an idiot, a liar, and *a hypocrite*, and the poor Steam Committee a pack of fools, is a man worth knowing, and I beseech you to enlighten us.—To end, the story of an Engineer going round to Calcutta to learn his duty *because no one here could teach* him, is not the fact—is quite untrue.

Yours,
A DUCK.

22d July.

MILITARY ARRIVALS AND DEPARTURES.

ARRIVALS.

Ensign D. C. Campbell, 16th Regt. M. N. I. from England.
Assistant Surgeon John Cramond, from England.
Lieutenant G. A. Hughes, 15th Regt. N. I. from do.
Assistant Surgeon William Sullivan, from..... do.
Ensign P. I. Contre, H. M. 20th Regt. from..... do.
Capt. R. Cooke, 19th Regt. N. I. from..... do,
Ensign Twynam, 21st Regt. N. I. from..... do.
Lieut. Col. Bellasis, Engineers, from..... do.
Lieut K. Bell, Artillery, from Ahmednugger.
Assist. Surgeon Gray, Artillery, from.... do.

DEPARTURES,

None since our last.

SHIPPING REPORT.

ARRIVALS.

July 19th.—Ship Lady Feversham, S. Ellerby, Master, from London. Left Portsmouth 1st April, 1833.
Passengers.—As per last Saturday's Paper.
—Barque Lady of the Lake, James Pearson, Master, from Singapoor 22d May, 1833.
Passengers.—Seven Convicts.

DEPARTURES.

—21st Ship Elizabeth, Robert W. Blenkinsop, Master, to Calcutta.
—The Hon'ble Company's Ship Thames, Captain John Rhodes Pidding, to Canton, and China.

LIST OF SHIPPING IN THE HARBOUR.

HON'BLE COMPANY'S SHIPS.—Lady Melville, Farquharson, Herefordshire, and Lowther Castle.
HON'BLE COMPANY'S BRIG OF WAR.—Tigris.
HON'BLE COMPANY'S STEAMER—Hugh Lindsay.
HON'BLE COMPANY'S SCHOONER—Shannon.
FREE TRADERS.—Sarah, Egyptian, Diamond, Hall, Charles Kerr, Hero, and Mary Bibby,
COUNTRY SHIPS.—Futtay Eslam, John William Dare, Maria, Discovery, Lord Castlereagh, Asia Felix, Cyrene, Sir Charles Malcolm, Hamoody, Minerva. Ann, Valasondram, Ann Fellis, Louisa, Sumdaney, Glenelg, Sultana, and Pittamber.
PORTUGUESE.—Consoliel. and Amelia.
FRENCH.—La Pactoile.
ARAB—Futtell Raymon.

THE COURIER.

TUESDAY, 23 JULY, 1833.

The *Lady Feversham*, we understand, has brought out letters announcing the appointment of Mr. Ironside, on the 6th. of March last, as provisional member in Council.

It appears that letters by the steamer, forwarded via Marseilles, were received in London on the 28th. of March, or in 77 days from the time the steamer left Bombay.—The Government packet had not arrived when the *Feversham* sailed.

In our extra on Saturday we gave, under the head of "memorandum or paper of hints on the renewal of the Company's charter," the ministerial plan for the future Government of this country. We now proceed to publish the correspondence, which has taken place upon that subject, between the Court of Directors and the president of the Board of Control. In to-day's paper we have only room for the first letter from the chairman and deputy chairman to Mr. Grant, containing their objections to his propositions, and his letter to them in reply. The rest of the correspondence will be published in our next.

It will be observed that a correspondent has put a number of questions to us about the Editor of the Calcutta *John Bull*, who he states has taken the liberty to be very facetious in some remarks which he has made on us and the Bombay Steam Committee. We do not take the *John Bull*, and cannot therefore say precisely what the nature of these remarks is, but should they prove to be at all libellous upon the Bombay community, we shall take an early opportunity to answer our correspondent as fully as he can possibly desire. In the meanwhile however, we beg to assure the Editor of the *John Bull*, that he is at perfect liberty to expend as much of his wit upon us in our editorial capacity as he pleases, if he will but confine it to us. If however, he should be so indiscreet, so infatuated, as to make use of the knowledge he possesses of Bombay, to insult its inhabitants in any way, we trust he will be prepared for the consequences.

The papers from England by the *Lady Feversham*, though ten days later than those previously received here, afford very little news of interest except that relating to the Company's charter.

The House of Commons, it appears by them, continued engaged with discussions upon the various clauses of the Irish Disturbance Bill, which has undergone several modifications that render it much less objectionable to the liberal portion of the House than it was in the first place. Some other questions of importance had also been brought before Parliament in various shapes. On the 21st. of March, Mr. Attwood came forward with a motion for the appointment of a committee to inquire into the state of the country. This was opposed by Lord Althorp, and rejected by the House, but deserves particular attention from the very formidable minority of 158 who voted with the mover, leaving ministers a majority of only 34. On the 26th. another struggle took place on the motion of Mr. Robinson "that a select committee be appointed with a view to repeal the burdens which press most heavily on productive industry, and the substitution of an equitable tax on property in lieu thereof." The division upon this motion, which was also opposed by ministers, was nearly as formidable as upon Mr. Attwood's, being 155 for, and 221 against it. Both these divisions are considered as of great importance in estimating the feelings of the House, and it is thought will force ministers to introduce, without loss of time, the subject of a general revision of the taxes. On the same evening Sir James Graham brought forward the Navy estimates for the ensuing year, by which it appears that a reduction of expenditure amounting to £200,000 has been effected in that branch of the public service. On the following day the army estimates were introduced by Sir J. Hobhouse in a long and important speech which we shall take an early opportunity of publishing. The estimates are upon much the same scale as those for the preceding year.—This we believe comprises every thing of moment in the proceedings of the House of Commons from the 18th. to the 28th. of March.—The House of Lords appears, during the same period, to have been doing little or nothing.

EUROPEAN INTELLIGENCE.

EAST INDIA CHARTER.

At a SECRET COMMITTEE of CORRESPONDENCE, held on Wednesday, January 2, 1833.

The Committee having fully and deliberately considered the Minute submitted by the Chair on the 28th ultimo, with reference to the letter from Mr. Grant, with the Paper of Hints respecting the Company's Charter;

The said minute was unanimously approved, the same being as follows viz.:—

The Chairman and Deputy Chairman, agreeably to the wish expressed in Mr. Grant's note to Mr. Ravenshaw of December 17th, have communicated to a Secret Committee of Correspondence the Paper of Hints respecting the Company's Charter which was read to the chairs by Mr. Grant in the presence of Earl Grey, on the 10th December, and which was afterwards transmitted by Mr. Grant to Mr. Ravenshaw.

That Paper of Hints has been considered by the Secret Committee of Correspondence with the respect due to his Majesty's Ministers, and with the deliberation which the vital importance of the subject demands.

Upon the first proposition which the Paper contains, viz. "the China monopoly to cease," the Committee beg leave to premise, that the exclusive privileges which the Company possess of trading with China is not used by them as a monopoly in the sense in which that term is usually received, the Legislature having strictly restrained the Company from so using their privilege, by the regulations which require that the supply brought forward, shall be adequate to the demand, and that the price at which the teas are put up shall be limited to the prime cost and charges.

With respect to a cessation of this exclusive privilege, whilst it will be the duty of the Company to bow to the wisdom of Parliament, the Committee feel it right to state, for the consideration of the King's Ministers, that the discontinuance of that privilege involves a most essential change in the financial system upon which the affairs of India are now administered, since it is the exclusive trade with China which, to a great extent, furnishes the Indian territory with a safe and very beneficial channel of remittance of the funds required in England to defray political charges, and which has also afforded to the territory a large amount of direct pecuniary aid, under the fourth head of appropriation of profits specified in the 57th section of the Act of the 52d Geo. 3, cap. 155. If, instead of receiving these advantages, India had been called upon from year to year to provide funds to repay the full amount disbursed by the Company, the public debt of India since 1814 would have been upwards of seventeen millions sterling more than it now is, exclusive of the balance due in account to the commercial branch, and which, with interest, is computed at five millions.

When this important fact is considered, in reference to the pressure which the Government demands already bear on our native subjects, notwithstanding the searching measures of economy which of late years have been introduced into all branches of the Indian Administration, the Committee cannot but hope that his Majesty's Ministers will pause before they consent to deprive India of the great advantage of the China Trade as now conducted.

Nor can the Committee, invited as they have been by Mr. Grant to state their opinions with freedom, refrain from suggesting, that the throwing open of the China trade may be eminently detrimental to this country, by risking our amicable intercourse with China, or at all events, by removing the concentrated influence of the Company's Factory, under which the dealings of the English with that country have so long been conducted; by causing a deterioration in the quality of an article which has almost become a necessary of life; and by seriously interfering with a large revenue, levied, under the existing system, with perfect equality to all classes of consumers, and with incomparable regularity and cheapness to the State*; whilst the supposed advantages of an open trade, in affording new marts for our manufactures, are contrary to the facts elicited during the late Parliamentary inquiry, viz. that the Americans take dollars and bills to China in preference to British manufactures; that such manufactures are not taken to any considerable extent by the commanders and officers of the Company's ships who have the privilege of taking them free of freight; and that although large quantities have been sent in the private trade to India and the Eastern Archipelago, yet they have very rarely found their way from thence to Canton.

Should it be argued, that tea would be somewhat cheapened to the consumer by that trade, which is now conducted by the Company at a profit, becoming only one of remittance, the Committee would submit, that that advantage, if eventually realised by the people of England, could only be acquired at the expense of the people of India, and would, in some measure, be countervailed, even to the people of England, by the expense of collecting the tea duty in an open trade; the amount of which duty, moreover, if still levied *ad valorem* (but how could it be *ad valorem* if the trade were free; and if not *ad valorem*, how could an unequal pressure of the tax be obviated?) would fall, with every reduction of price, to a much greater extent than would, it is believed, be made up by increase of consumption.

If, notwithstanding all these considerations, it should be determined to put an end to the exclusive trade with China, the Committee beg leave to suggest to the King's Ministers, that the period that may be fixed upon for that change to take effect should be sufficiently remote to allow of the Company's disposing of the stock of tea which, by the operation of the present law, they are compelled to have in warehouse.

With respect to the second proposition in the Paper of Hints, viz. "The East India Company to retain their political functions,"—it will, of course, rest with the Court of Proprietors to consider, when the proposals, matured by his Majesty's Government, shall come before them, whether they be such as will justify the Company's undertaking to administer the Government of India for a further term. It can scarcely be necessary, however, for the Committee to point out to the King's Ministers, that an indispensable preliminary to any such arrangement would be, that the Company should be secured in the regular supply of funds to defray the territorial payments in England, amounting to between two and three millions annually; a difficulty which does not appear to be met in the Paper of Hints.

The third and fourth propositions, viz. "The Company's assets, commercial and territorial, with all their possessions and rights, to be assigned to the crown on behalf of the territorial government of India."—"An annuity of 630,000*l.* to be granted to the Proprietors, to

* A Revenue of between three and four millions sterling is collected at an expense of about £10,000.

be paid in England by half-yearly instalments, and to be chargeable upon the territorrial revenues of India exclusively, and to form part of the territorial debt of that country, not to be redeemable before the 30th April 18—, and then, at the option of Parliament, by the payment of 100*l.* for every 5*l.* 5*s.* of annuity;"—appear to the secret committee of correspondence to involve in substance the abolition of the East India Company, and the surrender by them (for it cannot be contemplated to deprive them) of all their rights privileges, and property, for no other compensation than the chance of receiving, after every other territorial demand shall have been satisfied, a dividend of 10½ per cent., for a term whose length is not stated; and which dividend, whatever the term may be, there can be little prospect that India, when deprived of the advantage of the China trade, will be able to pay.

With every respect for his Majesty's Ministers, the Committee unanimously decline to recommend the before-mentioned proposals to the Court of Directors, to be offered by them for the acceptance of the Court of Proprietors; and beg leave to record their opinion, that no proposition whatever for continuing the Government of India in the hands of the Company, when deprived of the exclusive trade with China can be acceptable to the Company, unless the Proprietors be fully secured in the regular payment, half yearly, of their dividend of 10½ per cent. per annum; and in the right, whenever paid off, to such an amount of principal, as, at the present price of Consols, would produce that rate of dividend. The Committee submit, that this is the least to which the Company can be considered entitled, when it is remembered that they have property amply sufficient to provide an investment in Consols equal to the required dividend; such property consisting of commercial assets, of pecuniary claims of large amount in India, and of possessions and rights in that country of great value, their title to which has never been disputed.

Indeed, when reference is had to the facts, that the Company has been the instrument of adding nearly the whole of Hindoostan to the sovereignty of Great Britain, and that through the same instrumentality a trade has been opened, fostered, and preserved, yielding an immense revenue, providing an article essential to the comfort of the public, and causing beneficial employment for a large population and an extensive fleet of shipping; it might not have been unreasonable to expect, that in the event of its being deemed expedient, with a view to the public benefit, that the Company should be broken up, some provision would be made by the country to compensate them for the services which they have rendered, for the risks which they have run, and for the sacrifices which they are called upon to make:—the Company's claim, in this respect, would seem to be irresistible, if they should be required to give up the right which they possess in perpetuity to trade in common with his Majesty's subjects. The Committee, however, abstain from pressing this point at present. What they now urge is, the undoubted right of the Company in their property to the extent before stated, and to such further extent as shall be sufficient to enable them to make a suitable provision for the numerous clases of servants, whose interests will be seriously affected by a change of system.

It is unnecessary, in the present stage of the discussion, to enter upon an examination of the numerous points of detail comprised in the Paper of Hints. It is sufficient to observe, that when the great principles which must form the basis of the scheme shall have been satisfactorily arranged, the Chairman and Deputy Chairman and the Secret Committee of Correspondence will lend their cordial aid to his Majesty's Ministers in arranging such a plan to be recommended to the Court of Directors for submission to the Proprietors, as may seem to be calculated to enable the Company efficiently to administer the Government of India for a further time, with credit to themselves and with advantage to that Empire.

The committee have thought it advisable to place these their sentiments before the King's ministers previously to submitting the Paper of Hints to a secret court of directors; but if his Majesty's ministers should desire to obtain the views of the court, the committee will take their pleasure upon the subject.

Letter from the Right Honorable CHARLES GRANT to the CHAIRMAN and DEPUTY CHAIRMAN.

India Board, February 12, 1833.

Gentlemen,—On my return from Scotland, I found the letter which you did me the honour to transmit to me on the 3d of last January, with a copy of a Minute of a Secret Committee of Correspondence of the 2d of the same month, on the Memorandum or Paper of Hints sent by me to the Chairman on the 17th of December, 1832.

I much regret that I have been prevented by my absence from returning an earlier acknowledgment.

I have, however, lost no time in laying the Minute before Lord Grey and other Members of the Government. It has engaged our earnest attention, and the result of our deliberations I have now the honour to communicate to you.

I beg to return my thanks for the candid manner in which the sentiments of the Secret Committee, are expressed, and to assure you that it shall be my endeavour, in my observations on the momentous topics under consideration, to maintain the same spirit.

The Memorandum which I transmitted to the Chairman was simply what it professed to be,—a mere collection of hints, unaccompanied by explanation or commentary. I was sensible that the addition of these might, in some respects, have been desirable; but I conceived the deficiency to have been, in a good degree, supplied by the verbal expositions which, in the conference between you and Lord Grey and myself, had been given of the general considerations connected with the propositions submitted to your attention.

Since, however, it is the wish of his Majesty's Government that those propositions should be brought before the Court of Directors, and ultimately, perhaps, before that of the Proprietors, it seems expedient that the considerations also, by which they are recommended should, at the same time, be submitted distinctly, though with as much brevity as may be possible, to the view of those respective bodies.

Accordingly, while I feel it necessary to advert to some of the main topics treated or referred to in the minute, I shall interweave my comments on them with statements and observations tending to shew, and as I trust, to justify, the views and considerations that have led the King's Government to those conclusions which are embodied in the most leading and essential of the propositions submitted to you.

In following out this intention, it will be expedient that I should distribute what I have to offer into two divisions, suggested, as I think, by the subject itself.

In the first place, I will apply myself to that part of the plan proposed by ministers, which provides for the future disposal of the trade which the Company now conduct, and of the political powers and functions which they exercise.

These are the points referred to in the first and second propositions of the memorandum.

In the second place, I will direct my attention to the leading principles of the arrangement, by means of which his Majesty's Government propose to carry into execution the objects intended under the first head; such arrangement relating to the disposition of the Company's property, and to the provision to be made for the interests of the East India Proprietors, on the one hand, and for the territorial interest connected with India on the other.

These subjects are comprised in the third and fourth propositions of the same paper.

I must observe, that the two branches in which I thus divide the topics of inquiry are, in some respects, connected together, and that therefore it will not always be possible, nor, as I conceive, necessary, in discussing them, to maintain the separation between them with perfect exactness.

First, we have to consider, in their main principles, those parts of the plan which relate to the future government of our Indian empire, and to the future arrangement of the trade with India and China.

I have here named these topics in what I consider to be the order of their comparative importance; but they are, in fact, intimately united. The establishment of an advantageous system of trade with the regions of the East, though primarily to be desired on account of the manufacturing and commercial interests of this country, is hardly less material to the well being of our eastern subjects; and, on the other hand, the establishment of a just and benignant system of administration over the territories of British India, an object of the last moment to the nations who inhabit them, is, at the same time, not only most important to our national honour, but must, in several views, reflect back on us the benefits which we bestow; and, among other considerations, cannot but essentially minister to the commercial and manufacturing interests more immediately consulted under the former head of arrangement,

After a full and anxious deliberation, it appears to his Majesty's ministers that the system of political administration which has been established in India, and which is exercised through the organ of the Company, although under the control of the national authority at home, has, notwithstanding, too much of past defect and error, and in spite of much remaining imperfection, secured to the inhabitants of India so considerable a measure of those advantages which it is the proper object of Government to confer, and evinced so much susceptibility of receiving the improvements suggested by experience and reflection, that they would not be justified in lightly proposing to effect any alteration or disturbance of that system in its essential elements.

The preservation of the system seems, at the same time, to be collaterally recommended, by considerations, of some moment to this country in a constitutional point of view.

Under any arrangement, a considerable share of the political patronage of India must, for some time at least, be dispensed from this country; and, by the arrangement actually existing, that patronage is lodged in hands which may possess it without exciting public or popular jealousy.

On these grounds, his Majesty's ministers conceive it desirable that, subject to the changes and modifications suggested in the Memorandum, the East India Company should retain the exercise of their political powers and functions. The changes and modifications to which I refer, will doubtless be dispassionately considered by the directors and proprietors; and so considered, I feel satisfied that, while they will appear both right and expedient in themselves, they will, at the same time, be felt not to constitute any obstacle to the retention by the Company of their political capacity.

The subject of the Company's trade has been regarded by his Majesty's ministers with the same anxious attention as that of their government.

And here, while they are ready to pay every acknowledgement to the public spirit and the exertions of the Company in their commercial character, and while they are far from denying that there have been periods in which the commercial regulations of that body might be proper, or even necessary, they cannot but think that, at the present day, a very material change of system is advisable.

The trade of the Company with India, has, I need not observe, already much declined; or, to speak more correctly, has for some years virtually ceased to exist. For the transactions of a mercantile nature which the Company still carry on, are confined to the purposes of making remittances to England, and of supplying military and political stores to India; purposes wholly unconnected with the properly commercial interests either of the Company or of their subjects in the East. I do not now enter into the consideration of these objects, further than by stating that they may, in the opinion of the Government, be sufficiently consulted, without involving the necessity of persevering in a course of commercial operations, confessedly not recommended by any intrinsic advantage.

His Majesty's ministers therefore see no evil in looking forward to a total cessation of those operations, so soon as they can cease consistently with a due regard to existing transactions.

In so viewing this subject, they are not swayed by any ideas, purely theoretical, of the incompatibility of the functions of a corporate trade with those of a government, but by a careful observation of the practical effects of the blended system of trade and government which has prevailed in India; and they are convinced that the release of the Company, whenever this can conveniently take place, from the peculiarities imposed on their arrangements and proceedings, by their dealings in the nature of commerce, with their own subjects, will very materially contribute to the efficiency of their political administration.

The trade of the Company, however, with India is not privileged, and it is conceived that no further enactment regarding it is necessary. It may be left to its fate under the operation of a new order of things. Any question, therefore, that now arises touching the Company's trade, must relate only to China.

This question, his Majesty's ministers are well aware, is one of great delicacy as well as importance. They admit that, while our established system of China trade is ably assailed, it is defended also by arguments of no small cogency. They are sensible that no extensive change, however beneficial in general, can take place in a large system of commerce, without local and temporary inconvenience.

Yet, under a full sense of the extent of these admissions, they are, after much deliberation, led to the conclusion, that the interests of the nation will best be consulted, by no longer making the trade of this country with China the subject of exclusive privilege.

Such generally are the wishes and intentions of his Majesty's Government on the two main questions,—the political administration of India,—and the British trade with China.

To both these questions the secret committee have addressed themselves in their minute; and on both it will therefore become me to offer further comments.

With regard to the government of India, however, since it is not proposed to deprive the Company of their political functions, I need not enter into any explanation; except in reference to some difficulties which, if the plan of ministers take effect, will, in the apprehension of the secret committee, embarress the exercise of those functions by the Company.

The secret committee justly observe, that "it will, of course, rest with the Court of Directors to consider, when the proposals matured by his Majesty's government shall come before them, whether they will be such as will justify the Company's undertaking to administer the government of India for a further term."

But the secret committee add, "It can scarcely be necessary for the committee to point out to the King's ministers, that an indispensible preliminary to any such arrangement would be, that the Company should be secured in the regular supply of funds to defray the territorial payments in England, amounting to between two and three millions annually."

The important topic brought under view in the last passage I shall have occasion to discuss fully hereafter; but I am not willing to pass it without notice in the connexion in which it here stands. I shall, however, only remark,—first, that the funds requisite to meet the expenses of the Indian empire must be sought and will be found in the resources of that empire itself;—and secondly, that the means of making available in England any part of those resources, will be furnished by some of the different modes of remittance which are usual in the commercial world, and which are never found wanting where remittance is required, either for commercial or political purposes.

With regard to the opening of the China trade, the secret committee very fairely state the objections which, on various grounds, they feel to that measure, and the hazards and evils which they foresee as its inevitable consequences.

It is due to the secret committee, no less than to his Majesty's government, and to the subject itself, that I should not omit this opportunity of adverting to some of the observations of the secret committee, in the hope that, at least, it will appear that the government has not embarked on this plan without having weighed it in all its bearings and relations, in its possible consequences,—for evil as well as for good.

Is is fortunate that respecting the trade with China, ample materials of judgment are before the public. They are to be found in the papers printed for the House of Commons in 1813, in the various publications which have recently appeared on both sides of the question, and in the reports of the committees of both Houses of Parliament printed in 1830, with the accompanying evidence. These documents exhaust the subject. They comprehend especially the arguments that can be adduced in favour of the existing system and in deprecation of [illegible] departure from it. Of the latter class of argu[illegible] minute contains a correct summary. It is however, to Government, that, of the ar[illegible] so relied on in the minute, some have become obsolete by lapse of time and change of circumstances, and that the others, resting chiefly on probabilities and anticipations, are either overpowered by a fair estimate of probable contingencies on the opposite side, or, so far as they have weight, are to be regarded in the light, not so much of objections against the measure, as of warnings and suggestions for the safe and prudent accomplishment of it.

The opening of the Chine trade could never have been considered except as a question of time and circumstance.

The exclusive privilege of the Company is not an ultimate object. It is to be regarded as the means to an end,—as the gradual and guarded preparation for a more diffusive commerce:—and it was not without a refernce to this view of the subject, that Parliament, by granting at successive times the charter for a term of years, provided for a periodical revision to the arrangement adopted.

It must be observed, further, that during a course of years, circumstances of various kinds have been conspiring to work a relaxation of some of the restrictions which existed at the commencement of the present charter, and to prepare the way for the removal of those that remain.

On both the last occasions of the renewal of the charter, the exclusive privileges of the Company have been diminished.

In 1793 some participation of the India trade was permitted to the nation, though certainly not to a great extent. In 1813 the restictions on the Indian trade were so greatly relaxed, that, so far as concerns principle, it may be said to have been opened. Since 1813 several laws have been passed, partly giving more scope, on specific points, to the British commerce with India, partly enabling the Company to trade beyond the limits to which they were previously restricted.

These successive modifications of the privileges of the Company have naturally created an expectation that, on the expiration of their subsisting lease, a further relaxation would take place. I admit that it would be equally weak and culpable in the government to yield to this expectation merely because it exists. Still more criminal would be their conduct if they proposed to surrender any just principle of commercial policy to ignorant or interested clamour. But the truth is, that the events of late years have forced on the majority of thinking and practical men, a sense of the absolute necessity of some material mitigation of the restrictions of our commercial code, and that the improvements which have in consequence been adopted, have tended to confirm and disseminate the feelings and opinions in which they originated. The prepossession, therefore, if so it may be called, [illegible]ur of a more open trade to China, though not necessarily just, has a warrant in recent experience, and in the judgment of minds conversant with the subject of commerce in general.

Under these circumstances, his Majessy's ministers feel that, if the restraints on the China trade are to be continued, their continuance can be justified only on the clearest and strongest grounds.

It must be unnecessary to argue, and yet it is not to be forgotten, that in the case of this trade as of every other, the presumption is, that the extent of the dealings, and the national benefit resulting from them, will be in proportion to the opening afforded to capital and adventure to embark in the trade. Unless that presumption can, in this instance, be shown to have no place, the circumstances of the country undoubtedly call for a revised system.

Great Britain has now to contend, not as during her two last wars, with one competitor but with many. The European nations have engaged ardently, and some of them for the first time in the prosecution of general commerce; which continues also to be carried on by the United States of America with their characteristic energy. On the other hand, new and extensive accessions have, of late years, been made to the commercial market of the world. Our Australian Colonies, Mexica, South America, the Pacific with its Islands; to say nothing of the change of circumstances, political and commercial, which has occurred in India itself and in the countries occupied by the Indio-Chinese nations. The opportunities thus afforded ought to be the most advantageous to that people which has the pre-eminence in capital, credit, and experience; but such opportunities cannot be fully turned to account unless the merchant is allowed to carry on his transactions with the different parts of the world in mutual connexion and subserviency. The exclusion, therefore, of the nation at large from a particular mart of trade, and especially from one so situated as China, is injurious beyond the limits of the immediate evil, by narrowing the general sphere of commercial exertion, and breaking the continuity of the operations essential to the full prosperity of our foreign trade.

To these observations the first answer will be (indeed, that answer has already been given in the Minute by anticipation), that there is no prospect of an increased demand in China for British manufactures, and, consequently, that any hopes of an extension of our China trade in that respect are wholly visionary.

In place of entering on the wide and debatable ground of discussion which this argument, and to the fate, of a parallel argument another instance.

When it was proposed, in 1813, to open the India trade, the Company strongly asserted the impossibility of extending the use of British manufactures in India. The argument was, indeed, pressed in that case still more urgently, and greatly more in detail, than on the present occasion. It was propounded by some of the most

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[illegible]le, and enlightened persons [illegible]ever in the service of the Company guided its councils at home. It supported by the production of a vast, and in many respects, valuable body of evidence, proving that every effort had already been exhausted to promote the consumption of our manufactures in the East, and that the final limit to such consumption had obviously been attained.

The representations to which I refer were not without a great mixture of truth. The Company clearly shewed that much had been done in extending the export trade in question, and that no sudden or exuberant increase of that trade could, under any circumstances, be expected. Their statements, and the accompanying evidence probably produced a wholesome effect in correcting to some extent, the extravagant hopes of speculators, and in enforceing, at least, a degree of caution on the early adventurers in the newly opened trade. But in point of fact, their main position,—the imposibility of an augmented use of British commodities in the East,—has been practically refuted. The patient, thrifty, dexterous assiduty of private and untrammelled enterprise, has actually achieved what was then pronounced impracticable. I enter here into no particulars, the fact being undisputed.

Among those who, in 1813, were swayed by the apparent force of the argument in question, and by the eminent authority of those who urged it, I must place myself, then new to such subjects. At this moment, I might possibly have questioned its correctness, even under the same circumstances. Experience and observation have taught me never to distrust the power of commercial capital, when free from artificial impediments, to open for itself fresh markets, and to scoop out new channels of operation. But, from the actual issue of the experiment in the instance alluded to, there can be no appeal. It serves to render wholly inconclusive all arguments, proceeding on similar grounds, and pointing to the same result.

I must, therefore, be permitted to dissent from the opinion, that it is chimerical, under any circumstances, to expect an augmented demand for British manufactures among the Chinese. It does not follow that I calculate on any prodigious or instantaneous increase in that demand; nor is the plan which the Government propose, founded on any expectation of such an event.

I proceed to the second topic touched on by the secret committee, relating to the probable effect to the opening the trade with China; not indeed on the export, but on the import branch of it.

They contend,—and this also, I may remark was contended in 1813,—that the admission of private adventure into that trade will be followed by a deterioration of the quality of the tea brought to the British market; and, in the next stage, by a defalcation of the large revenue now realised with singular cheapness and regularity from that article. On the first of these points, the expected deterioration of the teas to be imported, I cannot altogether enter into the apprehensions expressed by the secret committee. That the Company, indeed, have taken great pains to ensure the goodness of the teas which they import, and that their efforts for this purpose have been very successful, I cheerfully concede. In this instance, as in several others, the public spirit and the attention of the Company have prevented what might have been thought the natural result of their exclusive command of the market. But the great principle still remains, that the best security for the goodness of a commodity is to be found in the rivalry of the dealers in it; and there seems to be no reason for distrusting the rule in the present case.

I do not mean to deny, that the opening of the trade may, in the first instance, be attended with the effect supposed. The introduction into any trade of a number of competitors has, perhaps, an immediate tendency to augment the quantity of the supply at the expense of its quality; but the very competition which produces this evil corrects it in the sequel. On no other principle than this do we depend for the excellence, in point of quality, of the immense mass of commodities imported by our general commerce.

The argument drawn from the importance of the present system of the tea trade to the national revenue, and from the jeopardy in which a portion of our revenue would be placed by a change, though quite relevant, and though one of grave importance, is perhaps matter for the consideration of the State, rather than for debate between the Company and the Government.

I will only remark, therefore, that great as the fiscal benefit derived from the tea-trade undoubtedly is, the argument in question is not decisive unless it can be shewn that an open trade is, on the whole, likely to produce less of that surplus profit which is the only fund out of which revenue can for a continuance be drawn, than a trade managed under exclusive privilege; a proposition which I should hold to be inadmissible. In touching, however, on this subject so briefly, I must not be understood to treat it as of light moment. There is, on the contrary, no part of the present question, to the importance of which his Majesty's Government are more alive, or with regard to which, in the event or the opening of trade, they more deeply feel the necessity of making careful provision.

Before [illegible]t the immediate subject of the [illegible]st observe, that even supposes between England and China [illegible]he degree which has been an[illegible]ell-informed and enlightyet another very important [illegible], which the opening of China is likely considerably to advance and extend, namely, the trade between that country and British India. And just in proportion as that trade may be extended, and remittances through the medium of it, from India to England, may be facilitated, the prosperity of the former country, and its value as a customer to the latter, must be enhanced. The commercial dealings of the three countries are, indeed, so closely connected, that any view of question relative to China which excludes the consideration of India, must be essentially defective. Now, in India we have found an abundant demand for British staples. That which is wanted is a corresponding return: and should this be more extensively furnished the medium of the China trade, the interests of England would be materially promoted, even though the amount of British imports into China remained the same. Nor ought we to overlook the peculiar nature of the article, forms the main export of China to England. It is one yielded exclusively by that country, and it is one of general consumption among the labouring classes of this. The extended supply of this therefore, while it can have little or no tendency to interfere with the produce of our other customers, is singularly calculated to give new scope and value to the productive industry of Great Britain.

I must now enter on another topic, suggested by the Secret Committee, and one to which the Company have certainly a very good right to call the attention of his Majesty's Government. It is, indeed, a topic familiar to those who are conversant with the controversies relating to the present system of Chinese trade. The Secret Committee apprehend that the opening of the trade will be productive of no small hazard to the continuance of our relations with the Chinese people.

In entering on this subject, I need hardly state that, supposing the China trade opened, it would be necessary that there should be stationed at Canton, by the appointment of the Crown, some officer or officers, invested by law with adequate powers of supervision over all British subjects resorting to China.

The opinion of his Majesty's Government is, that a Chief and Council should be the functionaries so to be appointed under provisions and regulations, a consideration of which does not belong to this place.

The present heads of argument, like most of those to be found in the minute of the secret committee, was prominent during the discussions of 1813. Opinions of weight were delivered on both sides; and though the determination of the Legislature to grant to the Company a fresh term of their exclusive privilege so far as respected China, chiefly proceeded on other grounds, I am far from contending that the reasonings of the Company did not produce considerable impression, or even that it may not, at that moment, have been prudent to confine, in the first instance, the measure of a free trade, then about to be tried, to the ports of India.

The Government, however, are satisfied that it would now be proper to extend the relaxation to the commerce with China, even supposing that no events had occurred, during the subsistence of the present charter to throw light on the particular question under consideration.

Admitting, for the sake of argument, that a freer resort of British adventure to the shores of China might somewhat increase the chance of broils between the adventurers and the natives; admitting further, that the jealousy of the Chinese might be even more sensitive under the new system than under the old; and lastly, admitting that a representative of the British nation might be less qualified to deal with the overt acts or secret workings of such jealousy, than commercial functionaries acting under the Company; yet the Government would by no means despair of combating these difficulties, by regulations carefully contrived and vigilently enforced, aided by the powerful influence of those mutual considerations of interest, which alone gave birth to the trade between the British and the Chinese, and which, in spite of all past impediments, have fostered and promoted that trade up to the present hour.

In point of fact, however, a view of the present state of the British commerce and intercourse with Canton, and a reference to recent occurrences at that port, may lead to a doubt whether the Company justly estimate the nature and extent of the dangers to which the British interests are, even under the exsisting system, exposed.

On the discussions which have unfortunately taken place between the Canton Government and the British Factory, I will offer only a passing remark. Those discussions, perhaps illustrate the hazards which beset our intercourse with a people so peculiar as the Chinese; but let me not be thought to draw from them an invidious inference, when I observe that they also authorise a question, whether the present system does, indeed, furnish so effectual a safeguard against the hazards alluded to, as is sometimes contended. I do not say that the Factory did not act with all the firmness and wisdom which the emergency demanded; but if, in spite of the exertion of such qualities, the British interests on the spot have barely escaped destruction, and if the actual position of those interests is universally felt to be most precarious, there may surely be some room to distrust the sufficiency of the guardianship to which they are confided.

This is not, however, the point to which I here principally refer. The country trade carried on between the principal ports of India and that of Canton has now attained a considerable height, and appears to be still increasing. It cannot fail to increase with the advancement of the commercial resources of India. The trade has not only brought private British ships to the Canton river, but has led to the stated residence at that town of a number of British merchants, mostly independent in circumstances as in character, possessed of much capital, and distinguished by British spirit and enterprise. Besides these residents, the British society in Canton is, for a great portion of the year, increased by a fluctuating body of individuals connected with the trade from India to China. The actual tonnage engaged in this trade is superior in amount to that which the China trade of the Company employs. The value of its imports into Canton increased from Dollars 9,897,000 in 1813-14, to Dollars 31,368,000 in 1829-30; that of the Company's imports being in 1813-14 Dollars 13,55[illegible],700, and in 1829-30 Dollars 11,665,000. It is true that private trade is carried on under special licenses from the Indian Governments, and that the individuals conducting it are bound to obey the directions of the local representatives of the Company. It is also true, that they cannot trade beyond the limits of the Company's charter; but, subject to these limitations, the trade is conducted with the freedom of private adventure. It is supported by British capital, and its ramifications are spreading in India, and, though not ostensibly in Great Britain.

The subordination of this community of merchants to the Factory, though obligatory in point of strict right, rests chiefly on mutual good-will and prudence; and it would, probably, be only in a very strong case that the supra-cargoes would attempt to deprive any one of its members of his license. What, even in such a case, might be the result of the attempt, does not seem quite certain.

There is every reason to suppose, as I have already said, that the amount and importance of this trade will increase; and such an event, supposing the exclusive privileges of the Company in China to be continued, cannot but materially influence the relative position of the free traders on the one hand, and the local establishment of the Company on the other.

The free trade and the trade of the Company, now move in different spheres; and, except as respects some of the articles of import from India to China, there does not appear to be any room for competition between them. The traders are in fact, on good terms with the Company's servants, and they acted in concert with the Factory on occasion of the late differences with the Government of Canton. But the growth of a body of free adventurers under the wing of an exclusive commerce is not unlikely to lead to consequences of moment, and the division of the British residents of Canton into two commercial classes, so differently constituted and characterised, cannot but add to the embarrassments incident to the relations between the British and the natives. The free traders appear to cherish high notions of their claims and privileges. Under their auspices a free press is already maintained at Canton; and, should their commerce continue to increase, their importance will rise also. They will regard themselves as the depositaries of the true principles of British commerce, and the feeling of submission which they now manifest towards the authorities of the factory may gradually be expected to give place to one of rivalry, if not of hostility.

I may overstate the probability of these results; but I can truly say, that the anticipation of them has not been suggested to me by the pending discussion between the Company and his Majesty's Government. On the contrary, it has repeatedly been impressed on my mind, during the consideration especially which recent events in China have led me to give to this important subject, that our position in that country, under the present system, is very far from secure or satisfactory; that while we fix our eyes on the contingencies which twenty years ago threatened it, we are too apt to overlook those new and nearer dangers which are gathering round us from within and without; and that, in a word, some change and recasting of parts must soon become indispensible.—I thought it certain, that, even, if Parliament resolved to continue the exclusive system for a fresh term, yet causes were at work which must, even before the close of the term, supposing it of reasonable duration, practically put an end to the system, either by silent dissolution or by forcible overthrow; or perhaps, in succession, partly by the one mode, and partly by the other.

Under this conviction, I felt it my duty to entertain the question which could not fail in any case, very shortly, to arise, whether we ought not to station at Canton some official authority independent of all parties, and unconnected with commerce of any kind.

That question will of course be disposed of by the opening of the trade, and with it may be dismissed many apprehensions which without meaning to colour them too highly, I conceive to be at least as well founded as those indulged by the Company in reference to the disorders which an open trade may be expected to produce.

There is but one further subject which it seems to me necessary to consider in relation to the China question; but it is one of the greatest importance.

Among the principal reasons for the continuance of the exclusive privilege to the Company in 1813, the most effective was drawn from the peculiar relation of the China trade as conducted by the Company with the financial system of India. This ground is again assumed by the secret committee.

"With respect to the cessation (they observe) of the exclusive privilege, whilst it will be the duty of the Company to bow to the wisdom of Parliament, the committee feel it right to state for the consideration of the King's ministers, that the discontinuance of that privilege involves a most essential change in the financial system upon which the affairs of India are now administered, since it is the exclusive trade with China which, to a great degree, furnishes the Indian territory with a safe and very beneficial channel of remittance of the fund required in England to defray political charges, and which has also afforded to the territory a large amount of direct pecuniary aid, under the fourth head of approbation of profits specified in the 57th section the Act of 55 Geo. III. cap. 155."

"If, instead of receiving these advantages, India had been called upon from year to year to provide funds to repay the full amount disbursed by the Company, the public debt of India since 1814 would have been upwards of seventeen millions sterling more than it now is, exclusive of the balance due on account of the commercial branch and which, with interest, is computed at five millions. When this important fact is considered in reference to the pressure with which the Government demands already bear on our native subjects, notwithstanding the searching measures of economy which of late years have been introduced into all branches of the Indian administration the Committee cannot but hope that his Majesty's ministers will pause, before they consent to deprive India of the great advantage of the China trade as now conducted."

On this argument it may be observed generally, that the weight to be given to it depends entirely on the view taken of the possibility of supplying the resources in question by other means, less onerous to the people of the country. If the principle were admitted that the expense of remittance is to be saved to India, and also that the deficiency of the Indian revenue is to be supplied, and that all this is to be done at the cost of England, we should then merely have to consider whether the aid requisite for these purposes should be afforded directly by a grant of British money, or, as heretofore, indirectly through an enhancement in the price of tea.

But his Majesty's ministers are by no means prepared to admit that principal: they cannot consent that India shall habitually lean on England for financial aid. The nature of the question is, indeed materially altered since the period of 1813. At that time no separation of accounts had been effected, there existed no sufficient means of solving the problem, whether the territorial branch required any and what assistance, and in order to meet a contingent and uncertain demand, it may naturally have been thought expedient to reserve a resource which could readily be adjusted to the exigencies of the moment. In 1813, further, the opening of the trade to India was an untried experiment, and the government and parliament of the time must, in that circumstance, have seen a powerful reason for not placing simultaneously in a new position, the other great branch of commerce on which they had to depend for the realization of the funds required to be remitted from India to England. They could not doubt that if private merchants were to conduct with regularity and success the trade which had belonged to the Company, the means of remittance could be found through the former, as surely and as advantageously as through the latter;—But it was not in their power to act on the full assurance which his Majesty's government now entertain, that, by the entire discontinuance of the exclusive system, the general trade would be benefited and not injured. And further, they contemplated the possible occurrence of uncertain demands on the Home Treasury, which are not now to be apprehended, and, which, in fact, touch the question of supply, rather than that of the transfer of existing funds.

We are now placed in very different circumstances. The trade to India is no longer the subject of debate. On that of China, his Majesty's Government have seen abundant reason to believe that, by being opened, it will be promoted rather than impaired; and ultimately, they cannot doubt of its being materially increased. The financial condition of India has now been thoroughly examined; and while, on the one hand, ministers feel persuaded that, under a system of free trade, the means of remittance will be facilitated, they, on other, hold it to be their bounden duty, to require that India shall not be allowed to be a permanent burthen on the finances of England.

The question of remittance has no necessary connexion with that deficiency of India revenue. It would equally arise, however large might be the surplus revenue of India.

If our accounts were framed on proper principles, the surplus or deficit of that country would be exhibited only after a distinct allowance for any loss sustained in exchange between India and England, just as a remittance from one part of India to another. This principle it will be useful to maintain steadily in view; but both questions may be kept clear of extraneous eatanglement; and I would not be understood as denying to the China trade, as conducted by the Company, the merit claimed for it, namely, that it has both discharged the cost of remittance, and also supplied the deficiency of the revenue.

But I must remark, that in both respects this object has been effected by the surplus profits of the trade, and that these surplus profits have been drawn from the people of this country, constituting as truly a tax on them as any of the national imposts properly so called. The seventeen millions, for example (admitting for the sake of argument the amount to be justly stated), by the supply of which through the China monopoly, it is observed in the minute, that the public debt of India has been kept down, have been contributed out of the resources of this country, as certainly as if they had been appropriated by a vote of Parliament in aid of the Indian finances.

As to the means of remittance; assuming the funds to be actually forthcoming in India, it seems to be clear, both from experience in analogous cases, and from the evidence taken before the committee of the House of Commons, that no difficulty can be anticipated in effecting a transfer of them by the channels of general trade, on terms fully as favourable as those which the Company's commerce can afford. The facility will even be increased, if, as may be hoped, the general trade should increase under the new arrangements. The China trade itself will become more and more available for the end in view; and the probability is, that there will be an improvement of exchange, though not so far as to equal the rate now applied to the accounts between the two branches of the Company's concerns. It should however, be remembered, that the advantage given to territory by the adoption of an arbitrary rate is, in truth, not a gain upon the exchange, but a portion of commercial profit applied through that medium to the use of the territory, and ought to be considered as a part of those regular charges for which India, and not England, is answerable.

So also with regard to the actual deficiency of funds in India to meet the necessary expenses of the Government. There has certainly been such a deficiency, and it has been supplied by the means above stated. Whether to the extent of seven millions or twelve millions (the latter is the amount in the Appendix to the Report of 1830) or any other sum, it is not necessary here to enquire. But the mere fact of a deficit having hitherto existed, is no proof that there will always be a deficit in future. Yet this is assumed in the argument of the secret committee, and is more distinctly stated in a subsequent part of the minute. In reference to the plan of charging the annuity 630,000 £ on the Indian revenues, they observe, that "there is little prospect that India, when deprived of the advantages of the China trade, will be able to pay it."

I cannot but suggest, that this conclusion has been drawn from inadequate premises. A floating but a regular deficiency, has hitherto been found to subsist in the Indian revenue: and the void has as regularly been supplied from their sources, without difficulty and without disturbance. The accommodation has proved most useful; but it may be apprehended that the very existence of a resource, so constant, so effectual, so readily and quietly applicable, has tended to create the evil which was to be remedied. I mean no particular reflection on any of the local governments of India in past times. It was natural that they should not be very rigorous in repressing an expenditure, the excess of which, the commerce was ever ready to feed.

The opinion which I have here stated is now, I believe, very generally entertained: it is not, indeed, without some countenance, even from the minute of the secret committee. If "the searching measures of economy," to which that minute alludes as having "of late years been introduced in all the branches of Indian administration" had earlier been applied, there can be no question that much of the necessity of a resort to extraneous succour would have been averted; and I feel as little doubt that those measures, or others of the same nature, would long since have been enforced, had not the desired succour been always at hand. In this view, the experience of the past, though unfavourable, may sanction better hopes as to the future. Once cut off the resource of the surplus profit, and the administrators of the Indian revenues will find themselves compelled to confine their expenditure within the limits of their proper income.

In this place it is right to mention, that the go-

vernment plan, if carried into effect, would not, as appears to have been apprehended, involve the augmentation of the present Indian Debt, nor impose any new burthen on the Indian resources.

It is proposed to invest the proceeds of the Company's property in the purchase of the existing Indian Debt, to the amount necessary to secure the promised dividend, and to place the East-India-Stock holders in the room of the creditors so purchased out. The effect would be, not increase, but substitution. It is further intended to make this substitution in a manner peculiarly advantageous; namely, by redeeming, in the first instance, the remittable debt, which is, you are aware, held by conditions peculiarly unfavourable to India.

The proposed annuity, therefore, is not by any means to be regarded as a fresh burthen on the Indian resources, for which India will receive no financial equivalent, but as an outgoing, for which compensation will be derived through the medium of the commercial funds of the Company, applicable to the use of the territory, and ultimately operating to the reduction of the Indian Debt. This plan, therefore, instead of impairing, will tend to improve the general resources of our Eastern Empire.

With respect to the competency of India to answer all the just demands on her Exchequer, no rational doubt can exist. A revenue which, notwithstanding fluctuations, has during the last twenty years, been steadily progressive—which estimated according to the Parliamentary rates of Exchange has now reached the annual amount of twenty-two millions, and which premises still to increase; a territory almost unlimited in extent; a soil rich, fertile, and suited to every variety of produce: great resources not yet explored; a people, generally speaking, patient, frugal, laborious, improving, and evincing both desire and capacity of further improvement, these, I think, are sufficient pledges that our treasury in the East will, under wise management be more than adequate to meet the current expenditure.

These anticipations may be deemed too sanguine: but it may be observed that, in indulging them, I am assuming that the system of retrenchment now in operation throughout the different departments of the Indian administration, shall be followed out with wisdom and with steadiness, and that the resources of the country shall be fostered both by active encouragement and by judicious forbearance on the part of the governing authorities. On these suppositions, and considering moreover how greatly, and even extraordinarily our political position in that quarter has been improved, and our empire consolidated, during the currency of the present charter, it is, I think, no extravagant conjecture that the financial condition of our Indian dominions will gradually advance, and not with an operation injurious to the people, but in perfect harmony with the progressive development of the national powers and capabilities. Such surely, are the results which we may hope to see realised in that country, under the sway of a Government exclusively devoted to the administration of its territorial concerns, and watched and seconded by a constituted body bound up in interest with its territorial prosperity.

Having now given some exposition of the train of thought by which the government have been led to the conclusions embodied in the first two propositions of the Paper of Hints, I proceed secondly, to consider the particular arrangement under which it is proposed to accomplish their purpose.

The third and fourth propositions in the Paper of Hints are as follow:—

"The Company's assets, commercial and territorial, with all their possessions and rights, to be assigned to the Crown on behalf of the Territorial Government of India."

"An annuity of 630,000*l.* to be granted to the proprietors, to be paid in England by half-yearly instalments, and to be chargeable upon the territorial revenues of India exclusively, and to form part of the territorial debt of that country, not to be redeemable before the 30th April 18—; and then, at the option of parliament, by the payment of 100*l.* for every 5*l.* 5s. of annuity."

"These propositions," it is observed in the Minute, "appear to the secret committee of correspondence to involve in substance the abolition of the East India Company, and the surrender by them (for it cannot be contemplated to deprive them) of all their rights, privileges, and property, for no other compensation than the chance of receiving, after every other territorial demand shall have been satisfied, a dividend of 10½ per cent., for a term whose length is not stated, and which, whatever the term may be, there can be little prospect that India, when deprived of the advantage of the China trade, will be able to pay."

On that part of this passage which refers to the security for the proposed dividend, I trust no longer discussion can be necessary. Though it be made the last clause of the committee's objection, I notice it first; because, if the impressions of the secret committee should prevail with the court of proprietors, I regret to say that there can be little hope of a satisfactory settlement. But I have already expressed the sentiments of the government on the subject, and I cannot doubt that the justice of those sentiments will, on consideration, be generally admitted.

I must further remark, that the secret committee have materially misapprehended the provisions of the plan, if they suppose it to be meant that, when the proprietors shall be placed on the territory of India, their annual dividend will be postponed to those of other territorial creditors. They will have the same plenary demands on the state with all other public creditors, and will stand precisely upon equal grounds. They will no more come last, than they would come last in England if they had bought into the consols. I have, indeed, before explained, that they would not constitute a new body of creditors, but only be substituted for creditors already existing.

With regard to the claims which the secret committee prefer on behalf of the Company, in whatever manner they may be adjusted, yet for the liquidation of them the Company surely cannot look beyond the property and revenues which they have hitherto administered. To the continuance of a monopoly of the China Trade, or to a share in any tax to which the consumers of tea may be subject, it will not be contended that they have any claim on the ground of right.

As little can the notion be entertained of casting them upon the general revenues of England. But I have the happiness of believing that the security afforded to them is open to no reasonable impeachment; and deeming it superfluous to dwell on this topic, I shall, for the present, content myself with the expression of my regret, that the secret committee should have admitted into their Minute the declaration which I have quoted. I must however add, that in proportion as the plan is advantageous to India, the value of the security will be enhanced. I will, therefore, before I consider specifically the points at issue, briefly advert to some of the circumstances which recommend the plan of the government.

The plan, as I have already explained, involves no increase of Indian debt or of charge on the Indian resources, but simply the substitution of one set of public creditors for another; and that, in a manner peculiarly advantageous to India, by the purchase, in the first instance, of the remittable debt.

While, therefore, with regard to England, it involves no expense, its financial advantages with respect to India are more than negative. It removes the pressure of a liability, which it might be difficult to find another opportunity of so conveniently discharging. It secures to the proprietors of East India Stock their dividend:—It not only preserves them in a separate character, thus continuing the connexion between the Directors and the Constituency by whom they are elected, but it knits that connexion more closely:—It identifies their interests with those of India, by giving them a direct and immediate money interest in its good government, and thus qualifies them, in a decidedly greater degree than hitherto, for the duties assigned to them in the system of Indian administration:—It relieves, at the same time, the directors from many avocations, which can scarcely fail to withdraw their attention from the duties which belong to them as the rulers of a vast empire:—and thus, while it is directly beneficial to the Indian finances, it affords new and stronger securities for that good government, on which the prosperity of the finances, not less than of all the other interests of India, must mainly depend.

Reverting to the general scope of the passage of the Minute under consideration, I have to observe that the propositions objected to cannot, in fairness, be said to involve the abolition of the East India Company. On the contrary, the Company would stand on as firm a basis as ever; the proprietors receiving the same income as heretofore; their representatives still holding their places in the government of our Eastern Empire; and their privilege of trading as a joint stock company restricted, only because the exercise of it appears to be inconsistent with the obligations incident to the acceptance of political power.

In so far as concerns the property belonging to the Company in their commercial capacity, the proposed arrangement may indeed unobjectionably be said to involve a surrender; but it involves also an equivalent, or what is so deemed.

The sufficiency of the equivalent is a distinct question to be considered as we proceed. If it be not insufficient, as I am persuaded it is not, there are assuredly abundant reasons to recommend the plan; and whether it be said to involve surrender and compensation, or conversely, tender and condition (for either expression is equally just,) it is not to be forgotten that the proposed arrangement is not compulsory. To accept or reject it, rests with the East India Company.

Strongly convinced that it will be for the advantage of the Company to accept it, his Majesty's Government cannot expect or wish that they should do so, except under a similar persuasion. On the one hand, his Majesty's ministers, sincerely desirous of retaining the agency of the Company in the political government of India, are not the less anxious to see full justice done to all their claims. On the other hand, they are bound to watch with a jealous care, over the general interests of the empire.

In the plan proposed, they have endeavoured to reconcile these several objects; and advancing, as I shall now do, to the more detailed consideration of the two particulars already specified,—the surrender required, and the compensation tendered,—I shall, I trust, be able to satisfy you that their endeavour has not been unsuccessful.

First, let us shortly consider what it is that the Company is called upon to relinquish.

As already intimated, their China monopoly (I may use the word without any strictness of definition) ceases by the mere operation of law at the time fixed by the Act of 1813.

Here, at least, nothing is surrendered.

The Right of British subjects to trade with India on an entire equality with the Company cannot be denied. It cannot be pretended, that the special privileges and property belonging to the Company in that country, would operate to the exclusion of their countrymen from an essential facility of admission or trade.

The dominion of the British crown, securing equal protection for all classes of British subjects throughout Hindostan, has superseded the use and altered the character of those factories and settlements which may have been necessary to commercial dealings in former times.

Here again nothing is surrendered.

The political authority which the company is to retain, must be held as the pure gift of the British parliament:—a trust confided to a particular body of British subjects, for the benefit of the Indian people, and for the good of the British empire in general.

That which may at the pleasure of the state be withdrawn, cannot, in any just sense, be said to be surrendered. Apart from the exercise of political functions, the relinquishment or limitation of their trade, on the footing of free competition, is indeed entirely optional with the Company. But their trade, conducted on such a footing, cannot, in the judgment of his Majesty's government, be expected to be profitable;—and, finally, I must state with all plainness, that the interests belonging to the Company in that property which they appear to regard as exclusively commercial, are involved in a multiplicity of doubts and entanglements, from which an escape seems to be next to impossible, except through the operation of some such comprehensive scheme as that which his Majesty's ministers propose.

The basis on which the arrangement rests, is the principle of a compromise between the two branches of the Indian concern,—the commercial and the territorial; meaning to denote by the former term, the interests permanently belonging to the Company as a commercial body, and by the latter, those national interests which they have administered as the organs of the political government of our Indian empire; with the obligations attaching to each class of interest respectively. The questions at issue between the two branches, the latter of which it is especially the duty of his Majesty's government to represent in the present discussion, are, I need not say, long and intricate, consisting of reciprocal claims, some really questionable, and nearly all, in some degree or other, disputed. This difference could be brought to a termination only by one of two courses,—the one amicable, the other contentious:—either by an amicable compromise: or by an actual and authorised investigation,—searchingly applied to each head of an immense and complicated mass of details, with a view to an exact and final apportionment.

Such an investigation, however successful we suppose it to be conducted, would be destructive of those paramount objects which, for the good of India and of England, the government arrangement contemplates. The intention being, that the Company shall be continued in their political capacity, and that they shall commence the exercise of their resumed functions in the utmost possible state of efficiency, it would obviously be incompatible with that end that they should instantly be engaged in a sort of self-litigation, to be prosecuted by means of a complicated, vexatious, and scarcely terminable inquiry.

Even without reference, however, to the proposed arrangement, it may easily be shown, that an investigation of this nature would be productive of the most serious inconvenience to the Company themselves.

According to the views which have at different times been stated on the part of the Company, there would, indeed, be little necessity for any investigation at all. In conformity with those views, the Secret Committee have recorded their sentiments in the following passage:—

"With every respect for his Majesty's ministers, the committee unanimously decline to recommended the before-mentioned proposals to the court of directors, to be offered by them for the acceptance of the court of proprietors, and beg leave to record their opinion, that no proposition whatever for continuing the Government of India in the hands of the Company, when deprived of the exclusive trade with China, can be acceptable to the company, unless the proprietors be fully secured in the regular payment half-yearly of their dividend of ten and a half per cent. per annum, and in the right, whenever paid off, to such an amount of principal as, at the present price of consols, would produce that rate of dividend. The committee submit, that this is the least to which the Company can be considered entitled, when it is remembered that they have property amply sufficient to provide an investment in consols equal to the required dividend; such property consisting of commercial assets,—of pecuniary claims of large amount in India, and of possessions of rights in that country of great value, their title to which has never been disputed."

Supposing this statement to be unimpeachable, and supposing all that is here enumerated to be the clear and unquestioned property of the Company, unaffected by any liability to any other party, the idea of a compromise would, of course, be inadmissible. They would then be justified in pressing their claim to the uttermost.

But this concession can hardly be expected.

The property claimed as commercial by the Company is well known to be exposed to many doubts and questions, both as to the amount and the nature of its component parts. It is further supposed to be subject to heavy liabilities.

My only object, at present, is to prove that compromise is the far preferable mode of proceeding. I am not, therefore, called to give an opinion on the disputes between the parties, and still less on the responsibilities of the commercial capital.

If it can be shown that, in the opinion of very competent authorities, doubts of the gravest kind attach to the subjects of altercation, and that it is questioned by such authorities, whether the most serious liabilities do not effect that property which the Company assume to be incontrovertibly their own, my purpose will have been gained: for it will then appear, that adjudication cannot be attained, except through the medium of a minute and detailed inquiry. But, in whatever mode such an inquiry may be conducted,—whether by a parliamentary commission,—or by arbitration,—or before a legal tribunal,—or in any other imaginable form,—the very institution of it must give a severe shock to the credit of the Company.

That blow once struck, the sequel will be marked by increasing mischief. Such inquiries, it is well known, are usually protracted far beyond the estimated time. In the given case, the examination must extend back through the transactions of nearly a century, and must apply to property, both in India, in England, and afloat, and, as to a great portion of it, placed under very peculiar circumstances.—In the interim the Charter expires:—The China monopoly is at an end:—and in what situation, it may be asked, are the East India Stock holders?—From what fund are the dividends to be paid?—In what manner are the commercial operations of the Company, even those already in progress, to be carried forward?

Let it be supposed (what certainly cannot be assumed as matter of course) that the final issue, at some period which it is impossible to anticipate, shall assign to the Company all that they claim,—will it be contended that even such an event would, in the slightest degree, compensate for the injury which they must in the mean time have sustained?

It is, however, incumbent on me to advert to the grounds on which I have come to the conclusion, that the question between the commerce and the territory really involves the difficulties supposed.

The commercial property claimed by the Company, exclusive of property in India, may be thus stated:—

The commercial capital, as computed by the Company on the 1st May, 1829		£21,102,182
Reimbursements of wars previous to 1765	£3,616,000	
Less—home bond debt at that time outstanding	£1,616,000	
		2,000,000
		£23,102,182

The commercial capital, computed at 21,102,182*l.* on the 1st May 1829, is thus composed:—

Cash at home and abroad, and property in the public funds	£2,186,129
Goods and merchandise at home and abroad	7,383,937
Property afloat and freight thereon	3,531,897
Debts due to the Company at home and abroad for goods sold and investments	2,227,195
Buildings and dead stock	1,467,967
East India annuities	1,207,560
Due from territory	4,631,906
	22,636,585
Deduct debts	1,534,403
	£21,102,182

It would be improper to me to assert nor do I mean even to insinuate, that under most of these heads, an impartial arbitrator would not adjudge to the Company that for which they take credit. But, unquestionably, no arbitrator could dispose of the matter, without having first considered various deductions which, on behalf of the territory, might be claimed; I do not say justly, but with sufficient reason to warrant the demand.

Thus, for example, of the sum stated to be due to commerce from territory, amounting to 4,631,906*l.* a l[illegible] amount is open to question, [illegible] surplus of commercial profit[illegible] liable to appropriation under the 53 III.

Thus also, it has long been, as you well a matter of dispute, whether the home bond-debt (amounting to 3,796,000*l.*) is chargeable to the territorial or the commercial branch. On whichever of those branches that debt shall be determined ultimately to fall, it must, at all events be paid in the first instance by the commerce; and although it is probable that the holders of the bonds would be averse to being paid off, yet if it should be deemed expedient to discharge the whole, or any part of their debt, so much of the commercial funds as may be necessary must, of course, be applied to that purpose.

The value of the property which might be considered clearly to belong to the Company would also give rise to various questions; and more especially, the rights and privileges claimed by the Company in India, most of which have been in abeyance for a period of nearly seventy years, would certainly be found involved in inextricable doubts, both as to amount and as to title.

It would indeed be difficult, if not impossible, to come to any conclusion as to any part of the property under inquiry (supposing that there is no compromise) without opening all the questions which have been raised in regard to the commercial profits of the Company, and the origin of their debts and assets: questions which as you know comprehend the very origin of our territorial acquisitions in India, and require for their solution a variety of information, now probably no longer to be attained.

A moment's reflection on the particulars embraced by each of the several heads above specified, will, I conceive, satisfy every reasonable mind of the necessity of admitting the principle of a compromise for which I am contending. But supposing that all these difficulties were overcome,—supposing all the facts as stated on behalf of the Company to be established, and all the items exhibited in their accounts to be admitted, there remain grave and perplexing questions of law, which embrace the whole extent of the Company's claims, and of which the consideration cannot be neglected or evaded.

These I proceed to explain.

The commercial assets of the Company, included in the account of stock by computation in 1794, although not separately and distinctly exhibited, may, I presume, be stated to have been under eight millions sterling.

The commercial assets on 1st May, 1814, were computed by the Company to exceed nineteen millions. In that period, therefore, that is under the Charter Act passed in the year 1793, the property in question was increased by a sum of more than eleven millions.

We need not argue on the supposition that this increase arose out of an application of the territorial funds in the hands of the Company to their commercial occasions. The representations which have been made on that point would, indeed, have to be very fully and carefully considered, if we were driven to a contest between the two branches; and they have not been overlooked by his Majesty's Government in considering the expediency of a compromise. But the liabilities to which I am now adverting attach to the Company, on the favourable assumption that the whole of the increase in question may be resolved into an accumulation of so much of the commercial profits received during the time. The question is, whether any part of the commercial profits could legally be thus applied?

It is admitted on all hands, that by the Charter Act now existing, no similar application of the commercial profits could legally take place. But is urged, that the Act of 1793 is no less peremptory than that of 1813, in setting apart the surplus profits of commerce for territorial purposes; and good opinions hold it to be seriously questionable, whether, at least, at the expiration of the Act of 1793 the Company were not bound to replace to the credit of the territory all that accession to their capital which had been formed out of the intermediate profits of their commerce, and whether that obligation on them does not remain in force up to the present moment.

The opinions to which I have alluded, I must be distinctly understood neither to impugn nor to support. Others of equal weight may perhaps be cited in opposition to them. But the very circumstance, that a question so seriously affecting a claim founded on the matter of account divides authorities entitled to respect, would form a strong reason why the parties concerned should resort to a compromise, rather than contend for rights the mere discussion of which, must occasion great injury both to themselves and to the public.

The liability to which I have now referred, supposing it really to attach to the commercial assets, so called, of the Company, would deeply effect the value of their property. A doubt however, has been raised, and indeed sufficiently familiar to the Company themselves, whether that property be not liable to another demand, which would be absolutely overwhelming.

The question which I have in view is this,—whether the whole of the Company's commercial property be not legally responsible for those debts and engagements which have been contracted in the Company's name for Political and Territorial purposes, and whether it will not continue so responsible, even although the Company should be wholly deprived of their political powers and functions.

This question branches into a variety of points which I forbear from enumerating, but which I can, on good authority, state to be entitled to the most serious consideration; and which, if pressed adversely, cannot fail to involve any attempt to adjust the Company's affairs in the utmost embarrassment. I have felt no difficulty in adverting to this subject; because, as I have before intimated, it is in its general nature not new to the Company.

Let it be observed, however, that I consider the question referred to, as likely to arise only in the event of an adjustment being attempted on the ground of strict right. I will hereafter endeavour to shew, that neither this nor the former question ought to embarrass the legislature in sanctioning an adjustment on the basis of the compromise suggested by his Majesty's Government.

It will, perhaps, be said that, whatever may be the strictly legal estimate of the mutual debts and demands of the Commerce and the Territory, Parliament may, and must, deal with this contested case on enlarged principles of justice and policy.

That such is both the right and duty of Parliament, his Majesty's Ministers are convinced; and it is precisely on this persuasion [illegible] found their hope of obtaining from Parli[illegible] tion of the plan which it is their [illegible] mend. It will presently, I trust, [illegible] essential features, that arran[illegible] a sanction even from past [illegible] ceedings. Meanwhile, I need [illegible]

liament can legislate on no partial view of ests in this complicated case, and must always n to the rule of confirming legal rights, where o clear cause is shown for an exception.

From the tenour of some of the previous observations, it might perhaps be argued that the claims which the Government least consult in proposing a compromise, are those an the part of the territory: But the truth is that, in the judgment of the Government, the concerns of the territory, no less than those of the commercial department, have a deep interest in a compromised settlement.

No share which the territory might ultimately gain of the Company's assets alleged to be commercial, could compensate for the evils of an inquiry of indefinite extent, duration, and complexity. During the process of that inquiry, the contested property would be in the hands of the adverse party and a good deal of difficulty might occur in furnishing the funds necessary for the current home expenditure.

There are other considerations, however beyond these. The most important object for the territory is, that it should, as soon as possible, be placed under a good and settled system of government: Whether the plan of his Majesty's ministers sufficiently provides for that object, is a question of separate consideration; but, assuming for the present this to be the case, the plan cannot too speedily be carried into effect: not to mention what has already been said that if the Company, as a commercial body, should be placed in immediate litigation with the territorial interest, the continuance of their political functions, which is one material part of the plan, would be rendered quite impossible.

Of the public creditors in India, who form an important branch of the territorial interest, I must observe that their rights (I speak not now of the claim in dispute between the commerce and the territory, but of their rights as national creditors of India), though undoubtedly standing on a firm foundation of justice and expediency, have never yet been recognised by the legislature except in a temporary point of view. Their situation is in some repects anomalous—for they have grown up under an anomalous system—and might subject them, if it were tried by technical rules of law, to questions against which they ought to be secured. If it be said here, as in the former instance that the rights of this class of men should be dealt with not on the ground of legal exactness, but of a liberal equity, I willingly, as before, accede to the opinion; and it is precisely because I do so that I desire to release the interests of these as of all other parties from the embarassments of extreme claims and pretensions, and to provide for them on the common basis of a fair and rational compromise, sanctioned and established by the authority of Parliament.

It cannot be expected that the several parties concerned should relinquish their claims without adequate consideration.

On the other hand, the determination to maintain or resist them with unqualified rigour would involve consequences, the very exemption from which is more than an equivalent for even liberal concession.

The expediency of acting on the principle of a compromised settlement will not, probably, be longer contested; and I shall now proceed to consider whether the terms prescribed by the plan of ministers be fit and just.

The difficulty of settling the conditions of the compromise between the commercial and territorial interests, arises chiefly from the confusion of functions, which has hitherto, and perhaps of necessity, existed in the system of the company. To some extent the same difficulty has always been felt, and has been dealt with; for even during the pendency of the system, and while the two departments have continued in avowed connexion, Parliament had found it necessary to fix a limit between the interests belonging to them respectively.

The object now is to discover some practical rule of demarcation; some principle, the operation of which may be expected to satisfy both parties; and such a principle is not to be sought in abstract or speculative considerations, but in the result of experience, so far as these afford any precedent applicable to the case.

It appears to the Government, that, by observing what has hitherto been the feeling and understanding as to the relations that ought to subsist between the two classes of interests in question,—what degree of beneficial share in the common concern has through a long course of years been allotted to each, and apparently with the approbation of all parties, —an adequate guide or standard will be obtained for the terms of any prospective arrangement.

The difficulty, as I have observed, has already been dealt with by the legislature, though under circumstances, it must be owned, considerably different from those under which it now presents itself.

The charter acts of 1793 and 1813 carefully regulated the order in which the company, as a commercial body, that is, the proprietors of stock, on the one hand, and the territory on the other, in respect of its interest to relieve itself from debt, might make use of the company's commercial profits; and the provisions laid down for this purpose by those two acts, though not precisely identical, were nevertheless conformable to the same general rule.

Both acts directed that, after providing for certain urgent or current payments, all the net proceeds of the Company's sales at home, and the duties and allowances arising to them by private trade and all their other profits in Great Britain, should be applied in payment of the dividend to the proprietors. Both acts afterwards directed the application of the profits to the payment of the debt in India, until such debt should have been reduced to a certain specified amount; but that, when that debt was thus reduced, and the home bond debt was also reduced to a certain amount, the surplus profits (and by the later act the surplus revenues also) should be applied to the formation of a guarantee fund of 12,000,000*l.*

If the debts, however, should afterwards exceed the specified amount, the appropriations were again to take place. The limit assigned to the Indian debt by the Act of 1793, was that of two millions sterling; by that of 1813, ten millions sterling; necessary to say that the present ceeds the latter amount.

ovisions of these clauses with me of them I wholly pass ecting my immediate ar- in some particulars, from oints, so far as respects coincide; and the prin- thus be said to have mentary sanction, by the experience of

at both acts pro- ome bond debt; and reduction indifferently debt, at the option of probation of the board. proposed arrangement takes effect, the government must, out of the commercial funds of the Company in their hands, make adequate provision for the home bond debt, in the event of its being expedient or requisite to discharge the whole or any part of it. This I wish should be always understood; although, for the sake of brevity, I do not always specify the home bond debt in words, when discoursing of the Company's obligations; and although, on account of the greater importance of the interests more immediately connected with territory, I treat the question before us, generally, as a question between the proprietors, on the one hand, and the territorial interests on the other.

Whether the Home Bond Debt ought in strictness to be consided as Territorial or Commercial, it is on this plan quite unnecessary to determine.

It is true that, during the subsistence of these Acts, the Commercial and Territorial functions of the Company were, for many purposes, very intimately blendid together, and that the precedent which they furnish cannot without modification be adopted to the present conjuncture.

The connexion between Commerce and Territory was then to be continued; it is now to be dissolved. The object then was to effect a distribution of profits; it is now in the nature of a division of capital. Still a general conformity to the principle of those acts is by no means impracticable.

It is indeed, to be recollected, that the principle in question has already been maintained under an important change of circumstances. The act of 1813 implicitly, though with circumstantial variations, followed the preceding Act. Under the act of 1793, however, the Company retained in substance the monopoly of the Indian trade. Enjoying then the whole trade of the country which they at the same time governed, it might have been natural to suppose, and in fact it was at that period supposed in some respects correctly, that their territorial power ministered to the advancement of their commerce; and it might, therefore, seem but a fair return that the surplus profits of the commerce should contribute to the well-being of the territory. But the act of 1813 extinguished the exclusive privileges of the Company in India. It left them the monopoly of the China trade only; a trade having no natural connexion with the territorial control of India, and which at all events, could not derive from the Indian functions or measures of the Company the same degree of assistance with that which had been afforded to the exclusive trade granted by the former act. Still we find the former principle of appropriation continued. The dividend is first secured; and then all the commercial receipts, with the reservation above stated as to the bond debt, are directed to flow into the territorial exchequer, until a certain measure of fulness is attained.

It is not my intention, nor do I conceive it of the least importance, to inquire into the particular views of those, at whose recommendation, and under whose guidance, the legislature passed the two acts in question, and especially the appropriation clauses. But I find in those clauses a rule or principle established, which has now been actually, and without objection, in force, during two entire terms of the Company's trade and sovereignty. Thus it is not only proved that Parliament has deemed itself morally, as well as canstitutionally, competent to legislate on this subject, but a practice has, under its authority, been established during forty years. To that practice all subsisting interests have conformed, or under it they have grown up: and if the act of 1813 were now to be re-enacted for another term of twenty years, or for a much longer term, it cannot be thought that any of the parties concerned would object;—indeed there is no doubt that all would acquiesce.

The principle so established by the two acts in question may be thus stated; that the profit accruing from the Company's commerce should, in the first instance, be employed in securing the regular payment of the dividends to the proprietors of stock, and that it should then be applied (speaking generally) for the benefit of the territory; such last mentiond application to be suspended only so long as the burthen of debt on the territory continues below a certain specified amount.

The position in which the acts thus place the proprietors is very observable; the proprietors, being in fact the Company, are, in one sense, undoubtedly, debtors to those who have claims on the Company; but, in another point of view, they may be considered as creditors on the common concern: and it is rather in this light that they seem to be regarded by the appropriation clauses.

But the claims of the proprietors being provided for, the next use of the commercial funds, to an indefinite amount, is given to the territory for its own benefit, due regard being had to the claims of the home bond creditors. I here use the expression, "the benefit of the territory," because the reduction of debt must always be presumed to be beneficial to the territory, though in many cases, be very inconvenient.

I am aware, and indeed have already, stated that by both Acts some peculiar payments are directed to be made out of the profits, in preference even to the dividend. These are payments, however, essential to the maintenance of the system, and without which the wheels of government would come to an abrupt stand. It is on the same ground that in the appropriation of the territorial revenues, certain payments of prime necessity,—those, for example, on account of the military expenditure, —are preferred to the payment of the interest of the debt. The general rule is not affected by such exceptions.

I am aware also, that in both Acts there are provisions, by which, after many intermediate appropriations, and after a large reduction of debt, the proprietors are assured of sharing (very scantily indeed) in the ultimate residue of profits. There never has been any approach to the realisation of the hope thus held out. The enactment has proved a dead letter; and the silence of all parties respecting it during many past years, proves that all notion of the promised benefit, if ever entertained, has long since been abandoned.

It is, on the whole, the opinion of the government, that, with allowance for the change of circumstances, it will be both just and expedient that the pecuniary interests of the proprietors and the territory should be maintained in that relative position towards each other, in which they have so long continued under the express authority of Parliament, and that they should be so maintained by the same authority. They conceive that sufficient justice to the Territory, by calling on it to relinquish all claim to so much of the commercial property as will be required to form a fund for the payment of the dividend, on condition of receiving all the rest of that property to its own use,—the government, on behalf of the territory, taking upon itself, with the commercial property made over to it under the arrangement, all the obligations incident to that property in the hands of the Company, among which obligations the Home Bond Debt is of course included.

Such is the principle which essentially regulates the terms of the compromise proposed by the government, and they believe that it will be for the advantage of all parties to accede to those terms.

On the one hand, the proprietors of East India Stock can offer no just objection to the plan. They are assured in the receipt of all that, during the last forty years, they have been satisfied to receive—of all that they have habitually regarded as the amount of their pecuniary interest in the concern—of all that they could fairly have expected, or that they would in fact have expected to be secured to them, if the present Charter Act were to be renewed for forty years or for a century.

It may be said, however, that the situation of the proprietors is deteriorated, inasmuch as their future receipts are to depend only on the security of the Indian revenue. The secret committee, as has already appeared, expect that the Indian revenue will be permanently deficient; and they moreover think that the present amount of dividend ought to be secured to the proprietors in the national stock of this country, the commercial capital of the Company being, as they allege, quite equal to purchase a sufficiency of such stock.

To the last suggestion there are several objections; but it may suffice to observe, that it could not be acted upon, without allowing to the Company all, or nearly all, that they claim as their commercial capital---and thus, in fact, conceding to them at once, and without investigation, all the points at issue between the commerce and the territory.

That suggestion, therefore, must be dismissed from contemplation. All that seems essential is to show that the situation of the proprietors, so far from being injured by their acceptance of the new arrangement, will be materially improved. For let it be recollected, that the arrangement is offered to them, not as an admission of all the claims and pretensions which may be put forward on their behalf, but professedly on the footing of compromise.

In the first place, I must once more declare the conviction of his Majesty's Ministers, founded on grounds which, having already stated them, I need not recapitulate, that the territory of India is essentially solvent; that the Indian resources will under proper management, be capable of answering every fair demand on them;--and that, in order to call them forth into full efficiency, one of the principal means is to release them from the seductive and hurtful aid of the profits of a foreign trade carried on by those who administer them. His Majesty's Ministers are not only impressed with this persuasion, but they believe that, if the arrangement to be proposed by them were framed on the assumption that there must always, as a matter of course, be a deficiency in the Indian revenues, the very effect of the arrangement would be to perpetuate that deficiency.

In the second place, let it be considered what is the present possession of the proprietors. Their security rests mainly on the profits of the China trade! a trade, the very existence of which the Company state to be exposed to many dangers, and which no man will affirm to afford an absolutely certain resource, together with a reversionary prospect of help from the surplus of the Indian revenues which surplus, according to the presentation of the secret committee, will never exist, and which is, at least, not likely to be realised, under a system that renders the commerce and the territory mutually dependant. Besides this, the double security thus given to the proprietors, whatever its value in other respects, is ensured to them only during a term of years; on the expiration of which, a period now just at hand, their interests are left without any parliamentary protection and must stand exposed to those very doubts, questions and embarrassments, from which the proposed arrangement is tendered to them as an escape.

The acts of 1793 and 813 looked forward, in some degree, to the unprotected situation in which the proprietors would be placed on the expiration of their Charter. They even endeavoured to provide a resource for the emergency. And what was that resource? They guarantee a fund of twelve millions already mentioned: no approach to the formation of which has ever been made. Even that guarantee-fund, however, could in no case be formed, unless the Indian and Home Bond Debt were reduced to a certain specified amount. The intended arrangement actually gives to the proprietors an income equivalent to that which the guarantee-fund was designed to secure; and gives it, notwithstanding the existence of a largely increased debt. This surely is a boon to the proprietors; and receiving it, they cannot reasonably complain that a liberal appropriation is next made for the benefit of the territorial creditors, or of that territory on which the debts of those creditors are charged.

For these reasons, I am clearly of opinion, that the proprietors would be benefited by acceding to the projected arrangement. If however, any doubt should still remain as to the value of the annuity which it is proposed to secure to them on the territory of India, that doubt will be dispelled, by an appeal to the prices at which the promissory notes of the government are actually sold in the market. If, again, it be suspected that those prices are enhanced, in consequence of the additional value given to the notes by a reliance on the Company's commercial assets, then this circumstance must not be overlooked in estimating the actual interest which the proprietors possess in those assets, and in lieu of which it is now proposed to assign to them a fixed dividend.

There is another objection which may, perhaps, be urged on the part of the proprietors. It may be said that, whereas the Charter Acts reserved to them a chance, however distant and minute, of an ultimate reversion of profit, the proposed plan cuts off that chance, without holding out to them any equivalent for its loss.

I have before remarked on the extreme smallness of the ultimate chance so reserved: it is too remote and visionary to be taken into the account. But I must now further observe, that, if the plan of ministers holds out no equivalent for the loss of that chance, this is not the fault of the plan, but of the actual state of the Company's assets and debts. There is no room, therefore, to speak of a reversion, or to complain that no compensation is to be made for the loss of it.

These considerations will, I trust, satisfy the proprietors, that their interests are duly consulted in the plan recommended by his Majesty's ministers.

I must however add, in reference to this subject, that, while the Government deeply feel the obligation of providing for every fair and just claim that can be preferred on behalf of the proprietors, it is from other and higher considerations that they are led to attach peculiar value to that part of their plan which places the proprietors on Indian security. The plan allots to the proprietary body important powers and functions in the administration of Indian affairs; and, in order to ensure their properly exercising such powers and functions, his Majesty's ministers deem it essential that they shall be linked and bound, in point of interest, to the country which they are to assist in governing. The measure, therefore, of connecting them immediately with the territory of India, is evidently not an incidental or immaterial, but a vital, condition of the arrangement; and, in proportion as this condition is dispensed with, the advantages of the arrangement are sacrificed.

If the proprietors are to look to England rather than to India for the security of their dividend, their interest in the good government of India, and consequently their fitness as one of the principal organs of Indian Government, will in the same degree be impaired; and if, according to the suggestions of the secret committee, they are at once to be placed on the national stock of this country, it is not easy to see what greater propriety there will be in assigning a share in the administration of the Indian empire to them than to any other body of our national stockholders.

To return, however, from this important topic to the point more directly before me, I must repeat, and I trust I have proved, that all due provision is made in the plan of ministers for the proper interests of the proprietors, considered as holders of stock, and without reference to the political powers with which they are to be invested.

But, if the proprietors ought to be content, so also, on the other hand, ought the territorial interests.

I have, in a former page, shewn that the plan will lay no new burthen on the territory, to which, indeed, its effect will be in some respects advantageous. The territory is to be released from the contingent liability which the present act imposes on it, of contributing, in certain events, to the funds of the Company and to the national exchequer. It cannot, in future, expect relief from commercial profits; but that relief was ensured to it only during the pendency of a statute now expiring; and it gains, subject to the securing of the dividend, and the providing (as explained) for the home bond debt, all the commercial capital of the Company for its own use, to be applied either in the discharge of debt, or in any other mode that may appear more immediately beneficial. It sacrifices (this must attach to any compromise) a part of its own claims; but it is released, on the other hand, from counter claims of the Company, amounting to several millions.

The disputes respecting the items of the commercial property are closed.

The question regarding the appropriation of profits between 1793 and 1813 is set at rest.

With regard to the territorial creditors, they obtain specific advantages. They obtain, for the first time, a national recognition of their lien on the Indian territory: they obtain a release from all doubts or difficulties, which, either in law or in equity, might have been raised, as to the nature of their rights in a technical point of view.

All the property of which the commercial branch surrenders the possession, subject to the reservations already mentioned, confirms the obligation which the territorial creditor holds.

His security, under the existing acts, is confined so a temporary claim on the territorial revenue and commercial profit. It will, under the new act, consist of the general funds and revenues of the Indian Government, aided and augmented by the surplus assets of the Company at home, and by all their commercial property in India, which whatever be its amount, will merge into the general funds and revenues of the Indian Empire.

Besides all this, the interest of the territorial creditor, when viewed on a great scale, must be considered as identified with that of the territory which is his principal security, and must be promoted by whatever promotes the territorial prosperity.

On the whole, I indulge the hope, that the observations in which I have now, perhaps at too great length, entered, will not only shew the necessity of effecting the desired settlement of the Company's affairs by a compromise, but will prove that the terms of the compromise proposed by his Majesty's Government, are such as ought not to satisfy the feelings and expectation of all parties.

In the exposition which I have given you, I am aware that I have stated the case of government (if I may so term it) more fully than is usual in public communications. It appeared to his Majesty's ministers that, under all the circumstances of the present occasion, an unreserved disclosure of their views and opinions, to whatever partial inconvenience it might expose them, was due to the subject itself,---to the country,---to India, ---and to those to whom the present observations are addressed; and I cannot doubt that the court of directors will apply themselves to the discussion in a corresponding spirit of candour and courtesy.

The paper of hints which I had the honour of transmitting to you contain matter relating to several points, the consideration of which the secret committee have, with great propriety, thought it advisable to defer till the basis of the new system shall have been established. On those points it may perhaps be hereafter expedient that I should address you; but, in this particular, I shall think it my duty to be guided by circumstances. In the present letter I have confined myself to the great and leading topics announced at the commencement of these pages;--topics, the consideration of which must be admitted to be the most immediately, if not the most deeply, important: and even in treating these, I have found it necessary to abstain from many observations which suggested themselves as worthy of attention.

Whatever may be the decision of the Company, I must repeat that it is not the intention of the government to recommend to Parliament the renewal of the Company's exclusive privilege of trade with China.

It is the wish of the Government to be enabled to recommend to Parliament the continuance in the Company of the political administration of India; but they can be so enabled only by the Company's acceptance of the terms of the proposed compromise. His Majesty's Government are not without hope that the secret committee will, on further deliberation, and after giving due attention to the developements contained in this letter, of the reasons which recommend the plan, be induced to qualify the opinions announced in their Minute. The Government cannot but trust, at least, that the Court of Directors will take a more favourable view of the matter; and they beg to avail themselves of your offer to lay the Memorandum or Paper of Hints before that court.

It will give his Majesty's ministers peculiar pleasure, if the Court of Directors should see fit to recommend the arrangements. If this unfortunately should prove not to be the case, his Majesty's ministers, with every respect for the secret committee and the Court of Directors, will yet feel it their duty not to relinquish the hope of accomplishing the compromise, until the proprietors have an opportunity of expressing their opinion on a subject so vitally affecting their interests. It will be for that body finally to decline or accept the proposal. There acceptance of it will, I need not say, be satisfactory to the government. But I am bound to state frankly that his Majesty's ministers being, on the fullest consideration, convinced of the justice and liberality of the terms now offered, will be prepared, in the event of a rejection of them, to propose to parliament a plan for the future government of India without the instrumentality of the company.

I must particularly request that you will have the kindness to lay the paper of hints and this letter before the court of directors, and afterwards, if necessary, before a court of proprietors, with as little delay as possible as the rules of your proceedings may permit. It is may desire and intention, at all events, to bring the subject of the East India charter under the consideration of parliament before Easter.

The proprietors will, before that time, have had ample opportunity to pronounce their judgment. But if no decision on their part is communicated to me by the 23d of March, I shall feel myself compelled to consider it as a declining of the proposal.

I have the honour to be, Gentlemen,
Your most obedient and humble servant,
(Signed) CHARLES GRANT.

To the Chairman and Deputy Chairman,
of the East India Company.

IRISH SUPPRESSION BILL.

When the Irish Suppression Bill shall at length have struggled through the House of Commons, and be again deposited in the paternal arms of Lord Grey, we shall be curious to observe what will be his style of address when he again presents the darling to his brother Peers, "shorn of its original brightness"—deprived of nearly all that "sweet severity of aspect" which proved so attractive in their eyes when they first welcomed in into existence, with gratitude and delight.

In addition to the important alterations in the Court-martial clauses which we detailed last week, Ministers have excluded from the operation of the bill all offences even of an insurrectionary character—such as resistance to the payment of rent and tithes—when such acts are not accompanied with threats or violence. Under the same exclusion fall the publication and hawking of seditious placards and pamphlets.

Instead of the police and soldiery being authorized to seize all persons found out at night, they are only directed to arrest such as are away from home under suspicious circumstances; and even then the persons arrested may be bailed.

Perhaps the most hateful clause in the whole bill, was the nineteenth, which authorized domiciliary visits. This is now modified in such a way as to render it comparatively unobjectionable. The soldiery and police are not to enter any dwelling-house *forcibly*, under any circumstances. But the names of the inmates are to be written on the outside of the door, and they may be called upon by name to come out and

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show themselves: if no answer is returned, the party who is inquired for is to be held as absent.

The Courts-martial, instead of being secret tribunals, are to be held with open doors; and the counsel for the accused may take notes and cross-examine witnesses, as in ordinary courts of justice. The Courts-martial are also empowered to issue warrants compelling the attendance of witnesses for the defence, as well as the prosecution; and no officer can be a member of one of these courts who has been actively engaged on regimental duty in the district where it is to sit.

The Lords-Lieutenant of counties and the resident Magistrates may call public meetings for legal purposes in the proclaimed districts, and it shall not be permitted to the Viceroy to disperse such meetings. All persons, however, not residing in the barony or district where the meetings are held, are prohibited from attending them.

The Corporation Magistrates in the cities, whose corruption and ignorance are so notorious, are prohibited from exercising any authority under the act. This important amendment was adopted last night, at the suggestion of Mr. Ruthven. We should like to know how Lord Brougham, the grand object of whose life has been to purify the administration of the law and obtain substantial justice for the people, can excuse himself for having suffered such a clause as this to pass through his hands unnoticed. But the whole bill, as it was passed by the Lords *with his entire approval*, was a disgrace to modern legislation; not merely on account of its arbitrary principle, but because the gross technical blunders, which jostled each other through every important clause, were sent down to the House of Commons by the Lord Chancellor of England, to be exposed and amended by ignorant country gentlemen, and Repealers from the wilds of Connaught.

Other minor alterations have been made, all having more or less a tendency to mitigate the ferocity of the measure.

For making these modifications, Ministers certainly deserve a degree of credit which we are most ready to allow them. They have acted wisely in yielding to the force of public opinion when they found that it was daily becoming more averse to the despotic clauses in their bill. That they would offend some of their Conservative supporters by so doing, was to be expected. The Earl of Darlington, Mr. Shaw, and Colonel Perceval, have all very decidedly expressed their disapprobation of the Ministerial want of firmness; and Captain Yorke thinks that the best thing that can be done with the worthless bill, is to throw it into the fire,—a proposal which Mr. O'Connell declared it would delight him to second.—*Spectator, March* 23.

THE MARYLEBONE ELECTION.

The result of the Marylebone election is an indication of the state of public feeling in the Metropolis, which deserves attention from men of all parties. The Ministerialists and Conservatives, more especially, may derive a useful lesson from it. It may let them into the secret of their actual standing in public opinion. Judging from the palpable miscalculation which they have lately made, some new light upon this point must be very necessary to them.

The Ministerialists, no doubt, anticipated the support of the same confiding majority at this election, which Sir. William Horne and Mr. Portman received at the last. They recollected that the then Radical Sir S. Whalley was defeated by a majority of upwards of eleven hundred votes; and that the Conservatives apparently acknowledged their party to be triumphant Reformers. The December election, too was carried without any ostensible interference on the part of the Government; although Sir W. Horne owed his success to the fact of his being considered the protégé of the Ministry. But during the late struggle, there was no shyness whatever in supporting Mr. Murray on the part of the Treasury. That there was any directly illegal interference with the freedom of voting, we are not prepared to say. But Mr. Murray had little personally to recommend him, except an unblemished private character, and good intentions. Now, it is not enough that a man means well to his country and constituents. Experience in business, some proficiency in the science of legislation, and perfect independence, ought to be among the qualifications possessed by any one who aspires to represent the populous, wealthy, and intelligent electors of Marylebone. With regard to the two first-mentioned requisies, there is no evidence on record that Mr. Murray possesses them; and with regard to the last most important one, how stands the case? what claim had he to be considered independent?

He was the declared Government candidate; he was strenuously recommended, and unsparingly puffed by the Government press; for him Sir W. Horne, the Attorney-General, spouted at electioneering meetings, with official zeal; he marched to the hustings at the head of a phalanx of the Whig Aristocracy,—Lord Cavendish, Milton, Russell, Edrington, and Morpeth, Messrs. Brougham, Ponsonby, Pelham, and others—all thick-and-thin Ministerialists, some of them even brothers and sons of Cabinet Ministers. We cannot recollect an instance of a more undisguised demonstration of Treasury influence and inclination, even under the most overbearing and corrupt of our Tory Administration: and if any very important public interest or principle had been the stake played for at the last election, we should have been tempted to characterize it in terms of reprobation, which, owing to the comparative unimportance of the struggle at the present time, it does not appear to call for.

What was the result of all this mighty display? what was effected, after all by this Treasury straining? Why, Mr. Murray was beaten hollow in the course of three hours. At twelve o'clock on Monday, he was more than three hundred votes behind Mr. Hope the Tory, and nearly as much behind Sir S. Whalley the Radical,—who had been requested, forsooth, to retire, lest his small body of supporters should create a diversion from the popular party in favour of Mr. Hope! It soon became evident, however, that the popular party went with Sir S. Whalley,—we presume for want of some one more suitable—Sir H. Parnell, for example—to support. It was Mr. Murray, then, who created the *diversion*, and who placed the return of a Liberal in jeopardy. In short, the electors of Marylebone, having the choice of three candidates, none of them being unexceptionable, chose the most Liberal politician of the three. On this account, they preferred a man without fortune, undistinguished by talent, but who had boasted of being descended from Whalley the Regicide, to a gentleman of high birth and connexions, an accomplished and cherished member of the British Aristocracy.—*Spectator, March*, 23.

TIMES.—MARCH 23.

The letters by the Lisbon packet, dated on the 2d inst., were delivered this morning, but they contain little news. Various constructions are put on them on the retirement of General Santa Martha from the chief command of the army; but the appointment of San Laurenzo had caused some dissatisfaction, and it was expected that Telles Jordao, on whom it ought to have devolved, as he was second in command, would resign in consequence of it. Miguel was at Braga on the 26th ult. It is now stated that the prevalent sickness in the north of Portugal was not the cholera, but of a less fatal nature arising more from great privation than any other circumstance. This packet passed Oporto on the 4th inst. but was not able to enter, and did not remain off more than two hours, consequently brings no information from thence; but we find that a letter from Captain Glasscock, of the Orestes, is in town, stating that the affair of the 4th, mentioned yesterday, was an attack by the army of Miguel, not a sortie by the troops, of Don Pedro, as described in the first account, and that, according to the reports from the town, it was repelled with a loss of 600 men on the part of Miguel. The troops of Don Pedro had sustained comparatively, as it was stated, but little loss. The Scotch corps, under Major Shaw, had suffered most; one officer in it is said to have been killed, and almost every officer, with the exception of Major Shaw, to have been wounded. The total amount of killed and wounded on the Constitutional side is given at 100, but with regard to both accounts there was conceived to be some exaggeration. The cholera had not increased, but much distress is said to prevail in the town from want of provisions. This account is in some degree an imperfect one which the circumstances under which the communication with Oporto took place will easily account for, but there appears no reason to doubt the genuineness of it. It is proper, however, to mention that no other letters of the date of the 4th instant are in town from Oporto.

SPECTATOR, MARCH 23.

The trial of Benoist and Bergeron, for shooting at the King of the French, has terminated in their acquittal, as was expected. The evidence against them appears to have been very vague; and there is something about the whole affair which looks like trickery. The persons who landed from the brig Carlo Alberto with the Duchess de Berri, last spring, have also been acquitted. Certainly, no Government has been more unfortunate in their State prosecutions than that of Louis Philip.

It is said that Pozzo di Borgo has been making some angry remonstrances with the Duke de Broglie respecting the spirited interference of the French Admiral at Constantinople. This is not unlikely. The disappointment to the Russian Emperor, who must have felt Turkey almost within his friendly grasp, is unquestionably very severe. The open conquest of that country may yet be deferred for a good many years; and such an opportunity for quietly garrisoning Constantinople may never occur again.

The agents of Don Pedro in London have published what they call an official bulletin, containing an account of an attack upon the Miguelite positions on the north of Oporto, which were carried with a loss of 600 men to the Miguelites, and a very slight loss to the garrison. Provisions and ammunition are also said to have been landed in considerable abundance at Oporto, and the spirit of the inhabitants and the soldiery is represented as being excellent. The *Standard* throws discredit upon this account; which indeed, is liable to suspicion, inasmuch as it does not very plainly appear how the intelligence could have been received. The steam-boat which arrived from Vigo four days ago might have brought it; but how does it happen that the news was not more quickly promulgated?

A Quarterly General Meeting of the Proprietors of East India Stock, was held on Wednesday. On the motion of Mr. Rigby, seconded by Sir Charles Forbes, the whole of the papers which led to the proceedings in the Court of King's Bench connected with the despatches sent out to Bengal, were ordered to be laid before the Proprietors. Mr. Goldsmith, Mr. Poynder, and Mr. Weeding, wished the Chairman to give the meeting some information relative to the renewal of the Charter. The Chairman promised that the subject should be brought forward with as little delay as possible: that was all he could say, in their then state of preparation. Sir C. Forbes was not sorry to hear that their character as merchants was to be disunited from that of sovereigns; but he should very much regret the loss of the profitable trade to China. Sir John Malcolm wished for inquiry into the claims of British subjects upon the native Princes of India, and a motion for copies of certain correspondence on those subjects was agreed to.

A meeting of Bank Stock Proprietors, being one of the quarterly courts prescribed by the Charter, was held on Thursday. Mr. Horsley Palmer, the Governor, announced a dividend of four per cent. out of the profits of the Bank. He also stated, in answer to a question from Mr. Young, that the amount of notes in circulation was eighteen million or thereabouts; and that the dividend was made out of profits which had actually accrued to the Bank, or at any rate very nearly so. The rest, or surplus fund, had not undergone any material alteration since the last court was held. The Governor also said, that no terms whatever had been settled with Government as to the renewal of the Charter. It was stated to be the wish of several proprietors, that Mr. Palmer should remain in office another year; but this he declined doing, although he was highly gratified by the approbation of the Court; he said that his successor, Mr. Raikes, would prove a most able Governor Mr. Palmer has been Governor for three years.

The expense of the Earl of Durham's mission to Russia, which has been represented as being so very enormous, turns out to be only 5,440*l.* 13*s.* 6*d.*; or about half as much as the Duke of Devonshire expended on a mere mission of ceremony in 1826. Sir Stratford Canning's mission cost 5,400*l.*, and the Duke of Wellington 4,536*l.* 15*s.* 3*d.* While the Duke of Wellington was at St. Petersburg, he was entertained at the Emperor's expense as a Russian Field-Marshall, and the expenses of Lord Strangford's embassy were going on all the while; whereas we had no resident Ambassador to Russia when Lord Durham was there, and his Lordship was obliged to entertain the *corps diplomatique*.

Lord Dudley is said to have left Lady Lyndhurst an annuity of 2,000*l.* per annum. He has also left one of his mistresses 800*l.* per annum, and a reputed son 25,000*l.* The jewel-caskets of the late Lady Dudley were found stripped of their valuable contents; a discovery which has excited great surprise. The validity of the will is likely to be disputed.

At the Court of Admiralty, on Wednesday, Sir C. Robinson gave judgement in the case of his Majesty's ship Thetis, wrecked on Cape Frio in December 1830, with 800,000 dollars on board; of which 750,000 had been recovered, through the exertions of Captain Dickenson and Captain De Roos and their respective crews. The Court ordered 17,000*l.* (one fourth after deducting expenses) to be distributed among the sailors in proportion to the property saved by each vessel.

TIMES.—MARCH 28.

The Coercion Bill was recommitted last night, and the report was afterwards received. The third reading is to take place on Friday (to-morrow). Before the discussion Dr. Lushington presented a petition from a Captain Robison, exhibiting an instructive specimen of the administration of justice by a court-martial.

Sir JOHN HOBHOUSE brought forward the Army Estimates, and, after some discussion, the first vote (for 89,419 men) was agreed to, upon the understanding that the discussion might be resumed, and the sense of the house taken as to the amount of force to be actually granted, when the vote for the money necessary to defray the charges of them should be brought under consideration.

We have received the Paris papers of Monday and Tuesday, together with a letter from our private correspondent, dated Tuesday afternoon, and one from our Madrid correspondent, dated the 18th instant. On French politics the papers do not supply any information of importance. The contents of those of Tuesday relate almost exclusively to the previous day's sitting of the Chamber of Deputies, during which a very long discussion took place relative to the dismissal of M. Dubois. They bring accounts from Constantinople, but not quite so late as those previously received. These accounts, however, confirm the news of the arrival at Smyrna of a detachment of Egyptian troops. It appears they had gone there in search of provisions for the main body of the army. Our correspondent at Madrid (for whose letter we have not room to-day) informs us of the departure from that city of Don Carlos and his family, with the Princess of Beira and Don Sebastian, for Lisbon, which took place at a very early hour in the morning of the 16th. The greatest precautions had been taken by the Government to prevent to possibility of any attempt being made by the Carlists to disturb the public peace.

Mr. ROBINSON'S motion on Tuesday night, and the division upon it, are items of great importance in the estimates of the present session. The speech of the hon. mover was at least an honest one, for he stated his object without circumlocution or reserve: it was to substitute a property tax for many others which he proposed to Parliament to abolish. Perhaps, indeed a great proportion of those members who voted in support of Mr. Robinson had no intention in doing so to pledge themselves irretrievably to substitution of a property tax for a given quantity of indirect taxation. Nevertheless, undoubtedly the words of the hon. gentleman's resolution import a distinct undertaking to that effect.

Nothing can be more certain than that imposts which severely press upon the springs of industry go, in fact, to destroy, in the long run, the proper subjects of all legitimate revenue. Taxes in the nature of *restraint*, taxes upon raw materials, above all things, taxes upon food, are so many pressures upon the frame of the national industry which impede its action and abridge its productive power. The malt tax is a tax upon *food*; it is indirectly, likewise, a tax upon domestic morals. If the peasant could procure his materials cheap, he would be able to brew at home, he and his family would drink their beer at home, and the alehouse or beer-shop would no longer be the resort of the labouring, more especially of the peasant, to population. But it will not do for Parliament to content itself with taking off the malt duty, if the object be that of enabling the poor man to drink his home-made beer. While the supply of malt is in a great degree limited to the home market, the landholder will have it in his power to charge a monopoly price for his barley, and the maltster for the manufactured article. To give the working classes the full benefit of a reduced price, the Legislature must [illegible] the use of foreign barley, otherwise the whole or best part of the advantage will flow into the British landlord's pocket, and the beer-shop will still supply the poor man's family with drink. The tax on soap is one on health, and ought at once to be abolished. Those on tea, sugar, butter, cheese, and meat, are so many deductions from the quantity of wholesome subsistence, and ought to share the fate of the malt tax—the fate also which the whole of the corn laws (in their present shape) are destined, we hope, to undergo.

We differ from M. ROBINSON in his desire for the repeal of the tobacco duties. The weed is certainly not necessary; and tax on it, as well as on spirituous liquors, might not unfairly be raised to the very highest point, consistent with the prevention of smuggling. If the house tax could be fairly apportioned, we do not see that there is anything objectionable in the *nature* of such an impost, which in that case, would amount to a tax on fixed property, and nothing more.

Mr. ROBINSON calculates at nearly 16,000,000*l* the taxes which he would repeal: Lord Althorp takes them at 17,000,000*l*. The vile old income tax, which covered professional and other precarious profits, as well as tangible property, produced, at 10 per cent, not more than 14,000,000*l*. Of this sum, real, funded, and all descriptions of fixed property, such as might be included in the tax proposed by Mr. Robinson, yielded somewhat short of 12,000,000*l*., yet rents during the war were one-third higher, and the interest of the debt above 2,000,000*l*. greater, than at present. What substitute, then, would Mr. Robinson find in a property tax of 10 per cent. for 16,000,000*l*. or 17,000,000*l*. of reduced taxes? He must limit his reductions, or extend his per centage upon property.

The minority, we admit, was the largest with one exception, which has yet been counted in the Reformed Parliament, and was unquestionably such as must ensure a very serious attention on the part of Ministers to the subject of a revision of the taxes.

NAVAL ESTIMATES.

The general impression upon the public is in favour of Sir JAMES GRAHAM'S naval estimates and statements, and, in our opinion, justly. He established incontrovertibly two facts of the highest importance, and, when taken simultaneously, most creditable to his own naval administration. 1st. That the charge for the navy for the year 1832 was less by a million sterling than for the year preceding, the estimates of which had been framed by the Wellington Ministry; above 1,200,000*l*. less for the year 1833 than for the same year 1831; and upwards, therefore, of 200,000*l*. less than even for the year 1832. 2d. That, notwithstanding these reduced estimates, more money had been laid out under Sir JAMES GRAHAM'S management for naval stores of every description; and the dockyards, with respect to abundance of materiel, had been placed in a condition of more absolute efficiency than existed at that period of the Wellington Government which had been taken by his Grace as the ground of a sort of anticipated comparison with the state of the marine of England under his successors. The lists of timber, spars, canvass, anchors, cables, hemp, &c., in Portsmouth yard, at the respective epochs, are curious and interesting to the public. This, undoubtedly, is not the time at which any Englishman, with his eyes and ears open, would wish to see our naval preponderance impaired.

PARIS—MARCH 26.

The appointment of General Sebastiani to a place in the Cabinet, without a *portefeuille*, has in the absence of other more important topics, been a subject of general conversation in our political circles within the last two or three days. In the chamber of Deputies it gave rise yesterday to an animated though brief discussion. The Duke de Broglie took upon himself the whole credit of the appointment, by declaring that he had pressed it upon his colleagues and on the King. It was, perhaps, intended by the Duke as some compensation to the General for the late loss of his place in consequence of ill health. The same cause makes it [illegible] Sebastiani to undertake the duties of any particular department, and hence it is that none has been given him besides the easy task of [illegible]

BLOTTING PAPER.—[illegible] secrets. Nothing astonishes a diplomatist more, some years hence, than to see used in the bureau of foreign ministers.

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